13



82- SUBMISSIONS FACING SHEET

		MICROFICHE	CONTROL LABEL	
. 9				
REGISTRANT'S NAME	Urbi	Desarallos	Urbanos, S.	A. do C.V.
*CURRENT ADDRESS	ave.	Alvaro C	Obregon 1137	7
	Mueva	, 21100	Mexicali	BCN
				exico
· · · · · · · · · · · · · · · · · · ·				
**FORMER NAME				
**NEW ADDRESS		·	· · · · · · · · · · · · · · · · · · ·	PROCESSE
				JUN 29 2004
FILE NO. 82- 34	197	FISCAL	YEAR	FINANCIAL
• Complete for initial submiss	sians only ** Please no	te name and add	ress changes	
INDICATE FO	RM TYPE TO BE	USED FOR	WORKLOAD EN	CRY:
12G3-2B (INITIAL F	ILING)	AR/S	(ANNUAL REPO	RT)
12G32BR (REINSTATE	MENT)	SUPPL	(OTHER)	
DEF 14A (PROXY)				
and the second s	. •		OICF/BY:	Men.
			DAT':	6/24/04

Fourth Fiscal Quarter of 2002

	L 0 2002	
	h Q 2002 5,595,784	
1 Total assets		
2 Total current assets	5;346,432	
3 Cash and cash equivalents	400,905	
46 Cash		
7 Certificates of Deposit		
Accounts receivables	1,130,373	
,4 trade		
5 Other account receivables	113,672	
6 Inventories	3,525,748	
7 Other current assets	175,734	
8 Long Term assets	249,352	h in
Long terms accounts		
9 receivables- trade	155,569	
Investments in non		
10 subsidiaries companies	68,702	
11 Other long term assets		
Property, machinery and	125,081	
12 equipment, net	53,204	
Machinery and industrial		
14 equipment	184,671	
15 Other equipments	71,294	
16 Depreciation	184,088	
17 Process construction		
18 Diferred assets		
48 Acrued expenses		
49 Goodwill 50 Deferred income tax		
51 Others		
19 Other assets		
		-, -(.) (.) - (183) (.)
20 Total liabilities	2;314,281	
	1,578,587	
21 Current liabilities		
Liabilities in foreing		1 Th
52 exchange		44 14
53 Liabilities in mexican pesos		
22 Suppliers	866,999	
23 Bank loans		
24 Bonds	· Spirit program i demonstration describ	
54 Commercial paper		
55 Mid term bonds		
56 Bonds current portion	112,175	
25 Payable Tax	106,095	
26 Other current liabilities Other current liabilities with	or Property and Company of the Compa	
L. L. L. L. L. 1994 March 2017 (1917) 1 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5		
57 cost Other current liabilities		
Office consciences	106,095	5.00

MECEIAED

JFFICE OF INTERNATIONAL CORPORATE FINANCE

7 Long-term liabilities Long-term liabilities in 9 foreing exchange		
Long-term liabilities in		
0 mexican pesos	207,705	
8 Loan banks	300,000	
29 Bonds		
1 Other liabilities 2 Mid term bonds		
30 Other credits	227,989	
33. Other credits with cost	007.000	t gjaren
64 Other credits without cost	227,989	
31 Diferred credits	The State of State of the Company of the State of the Sta	- P
65 Goodwill	1,322,329	
66 Deferred income tax 67 Others		
32 Other liabilities		
68 Other provisions		
69 Other liabilities		
33 Stockholders' equity	1,959,174	
33 SIOCKHOLESIS SALE		y (1)
34 Minority interest		
Majority stockholders	1,959,174	
35 equity	186,561	
36 Common stock 37 Common stock paid	720	
38 Common stock updated	142,035	
39 Additional paid in capital	43,806	
40		
Stockholder' equity gain	1,772,613	Latin 17
41 (loss) 42 Retained earnings	1,533,210	
43		
Deficit from restatement of	(159,474)	iguri Magazini
44 stockholders'equity		
70 Deficit from restatement of		i.re
71 stockholders'equity	(159,474)	
A CONTRACTOR OF THE PARK THE PARK TO SELECT THE PARK TO SELECT THE PARK THE	398,877	
45 Net income		
72 Working capital		
73	The Control of the Co	
74 Numers of executives *		
75 Numbers of employees* 76 Numbers of workers*		100
Número de Acciones en		
77 Circulación*		
78		
(*) information in units		
(1) MIOURISHOUR II CHILE		y rate
N. S. Chillian Company Company (1997)		

Consolidate Statem 4,111,859 1 Sales 4.111,859 21 National 22 Foreign Convertions into U.S. 23 Dollars*** 2,772,691 2 Cost of sales 1,339,168 3 Gross profit General and administrative 440,171 4 expenses 898,997 5 Operating Result Comprehensive result of (133,148)6 financing (204, 874)24 Interes expenses (15,256) 25 Foreign exchange loss 15,091 26 Interest income 27 Foreign exchange gain 71.891 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 765,849 7 financing 7,612 8 Other financial operation Other income (expenses) 7,612 30 31 Result before income tax 773,461 9 and asset tax Taxes provision and 374,584 10 employee profit sharing 3.092 32 I.S.R. 371,492 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 398,877 13 operations Results for discontinuing 14 operations Net result before 398,877 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 398,877 18 net income 19 Minority interest 398,877 20 Mayoritary net result 4,111,858 36 Total sales 4,111,859

898,997

398,877

38 Net sales**

41 Net result**

39 Results of operations **

40 Mayoritary net results*

Audited Financial Information for the Fiscal year 2002

		placificación especial de la
	4th Q 2002 5,043,272	
f Total assets		
2 Total current assets	4,812,654	
3 Cash and cash equivalents 6 Cash 7 Certificates of Deposit	401,148	
Accounts receivables - 4 trade	1,130,577	
5 Other account receivables 6 Inventories 7 Other current assets 8 Long Term assets	110,602 2,995,359 174,968 230,618	
Long terms accounts 9 receivables- trade Investments in non 10 subsidiaries companies 11 Other long term assets	55,569	
Property, machinery and 12 equipment, net 13 Real states	170,649 53,204	
Machinery and industrial 14 equipment 15 Other equipments	184,791 116,568 183,914	
16 Depreciation 17 Process construction 18 Diferred assets 48 Acrued expenses 49 Goodwill 50 Deferred income tax		
51 Others 19 Other assets	4,400	
20 Total liabilities	3,133,632	
21 Current liabilities Liabilities in foreing 52 exchange	1,288,872	
53 Liabilities in mexican pesos 22 Suppliers 23 Bank loans 24 Bonds	590,475 489,786	
54 Commercial paper 55 Mid term bonds 56 Bonds current portion 25 Payable Tax 26 Other current liabilities Other current liabilities wit	107,122 101,489	

Long-term liabilities in		
g foreing exchange		
Long-term liabilities in		
0 mexican pesos	211,237	
28 Loan banks	300,000	
29 Bonds		
of Other liabilities		
62 Mid term bonds	193,843	
30 Other credits 53 Other credits with cost		
64 Other credits without cost	193,843	
31 Diferred credits	1,139,680	
65 Goodwill	render i de la companya de la compa La companya de la co	
66 Deferred income tax		
67 Others		
32 Other liabilities		
68 Other provisions	CAPACATA CONTRACTOR OF THE CAPACATA CONTRACTOR O	
69 Other liabilities		
	1,909,640	
33 Stockholders' equity	The First Constitution of the Constitution of	
34 Minority interest		
Majority stockholders'	1,909,640	
35 equity	186,561	
36 Common stock	720	
37 Common stock paid 38 Common stock updated	142,035	
39 Additional paid in capital	43,806	
NU TO THE PROPERTY OF THE PROP		
Stockholder equity gain		Addition seems is a research to
41 (loss)	1,723,079	
42 Retained earnings	1,533,210	
43		
Deficit from restatement of	(273,303)	
44 stockholders equity		
70	i de la companya de La companya de la co	
Deficit from restatement of	(273,303)	
71 stockholders equity		
45 Net income	463,172	
72 Working capital		
73		
74 Numers of executives.*		
75 Numbers of employees"		
76 Numbers of workers		
Número de Acciones en		
77 Circulación*		
78		
(*) information in units		
() moundation in come		

Consolidate Statement of Income

1 Sales	4,108,970		
21 National	4,108,970		
22 Foreign Convertions into U.S.			
23 Dollars	2.772,686		
2 Cost of sales 3 Gross profit	1,336,284		
General and administrative	443,016		
4 expenses	893,268		
5 Operating Result Comprehensive result of			
6 financing	(132,154) (200,839)	AND THE PROPERTY OF THE PROPER	
24 Interes expenses 25 Foreign exchange loss			
26 Interest income	15,152	TOTAL TOTAL	
27 Foreign exchange gain	(15,259) 68,792	A STATE OF THE STA	
28 Monetary gain 42 UDIS updated loses	ikionaurkuugisen oleh jijakse sen orma. Kilanaurisen oleh kuni alauksisi sekin oleh inga		
43 UDIS updated gains		Adamingus — Cinos	
Result after			
comprehensive result of 7 financing	761,114	e Par Zielina kar Josh ne z e e Espar Zielina z e e e e e e e e e e e e e e e e e e	
8 Other financial operation	7,576		
Other income (expenses)	7,576		
29 net 30			
Result before income tax	768,690		
9 and asset tax Taxes provision and			
10 employee profit sharing	305,518 <i>41,032</i>		
32 ISR 33 Deferred ISR	264,486		
33 Delenied 1.5.1.			
35 Deferred P.T.U	Pingura (friides. ·	
Net result after income 11 tax and asset tax	463,172		
Results of non subsidiaries			Significant Company
12 companies Net result for continuing			
13 operations	463,172		
Results for discontinuing			
14 operations Net result before		research and the second	
15 extraordinary parties	463,172		
Extraordinary parties	e ogskriver og det skriver i s Marking skriver i skriver	ACTION OF THE PROPERTY OF THE	A CONTRACT AND A CONT
16 expenses (income) net			
18 net income	463,172		
19 Minority interest	463,172		PARTY COOK
20 Mayoritary net result			
36 Total sales	4,108,969 (3,652)	A CONTRACTOR OF THE PROPERTY O	
37	4,108,970		
38 Net sales** 39 Results of operations**	893,268	igen produktivi i kalinda i i i i i i i i i i i i i i i i i i i	
40 Mayoritary net results**	463,172 463,172		
41 Net result**		The Manual States and Association of the Control of	

First fiscal Quarter of 2003

js	t Q 2002	
Total assets	5,733,712	
2 Total current assets	5,487,089	
Paragram of the property of	San Balanta de Carlos	
3 Cash and cash equivalents	165,514	
5 Cash 7 Certificates of Deposit	165,514	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Accounts receivables -		
4 trade	1,538,989	STORMAN RESIDEN
	132,783	
5 Other account receivables	3,464,365	
6 Inventories 7 Other current assets	185,438	
8 Long Term assets	246,623	
Long terms accounts	7.17	
9 receivables- trade	60,383	antania. Ny fivondrona amin'ny faritr'ona amin'ny faritr'ona amin'ny faritr'ona amin'ny faritr'ona amin'ny faritr'ona a
Investments in non		
10 subsidiaries companies 11 Other long term assets		
Property, machinery and		
12 equipment, net	133,941 58,862	
13 Real states	56,602	
Machinery and Industrial	193,247	
14 equipment 15 Other equipments	75,913	
16 Depreciation	194,081	
17 Process construction		
18 Diferred assets		
48 Acrued expenses 49 Goodwill	Called Supplied to the Control of th	
50 Deferred income tax		
51 Others		
19 Other assets	52,299	
20 Total liabilities	3,674,735	
20 Total Habilities		
21 Current liabilities	1,815,528	
Liabilities in foreing	126,961	
52 exchange	property contracts of the property of the contract of the cont	e di Santana di Pen
53 Liabilities in mexican pesos	1,688,567	an employment in 1878 A
22 Suppliers	796,719	
23 Bank loans	732,247	
24 Bonds :	Commence of the Commence of th	
54 Commercial paper 55 Mid term bonds		
56 Bonds current portion		
25 Payable Tax	*	
26 Other current liabilities	151,388	
Other current liabilities with	Physics (1997) and the second	
57 cost. Other current liabilities		
58 without cost	151,388	interiteration of the

27 Long-term liabilities	600,683	
Long-term liabilities in	121,761	
59 foreing exchange		
Long-term liabilities in	478,922	
60 mexican pesos	178,420	
28 Loan banks	300,000	
29 Bonds		
61 Other liabilities 62 Mid term bonds	300,000	
30 Other credits	122,263	
63 Other credits with cost		i ä
64 Other credits without cost	122,263	2 e
31 Diferred credits	1,197,957	a b
65 Goodwill		
66 Deferred income tax	1,197,957	
67 Others	60,567	
32 Other liabilities		ű A
68 Other provisions	60,567	8
69 Other liabilities		#
	2,058,977	
33 Stockholders' equity		
in the control of the		
34 Minority interest Majority stockholders'		
35 equity	2,058,977	
36 Common stock	189,025	
37 Common stock paid		
38 Common stock updated	144,640	
39 Additional paid in capital	44,385	Ĭ.
ΔΩ		
Stockholder' equity gain	1,869,952	
41 (loss)	2.025,772	
42 Retained earnings		
43 (4.15)		4
Deficit from restatement of	(280,049)	
44 stockholders equity		
70 Deficit from restatement of		
71 stockholders'equity	(280,049)	i ije per
// Siochiode/		
45 Net income	124,229	
The state of the s		
72 Working capital		
73	The comment of the second of t	
74 Numers of executives		
75 Numbers of employees*		
76 Numbers of workers*		
Número de Acciones en		
77 Circulación*	Action of the second of the se	
78		
(*) information in units		
		89638

Consolidate Statement of IIIC 925,632 1 Sales 925,632 21 National 22 Foreign Convertions into U.S. 23 Dollars*** 624,905 2 Cost of sales 300,727 3 Gross profit General and administrative 98,228 4 expenses 202,499 5 Operating Result Comprehensive result of (20,471)6 financing (40,931)24 Interes expenses (4,417) 25 Foreign exchange loss 3,692 26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 182,028 7 financing 3,510 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 185,538 9 and asset tax Taxes provision and 61,309 10 employee profit sharing 61,309 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U... Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 124,229 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales

37

38 Net sales**

41 Net result**

39 Results of operations**
40 Mayoritary net results**

26Colla i iscai dadito:

Consolidated Balance Sheets

	2nd Q 2003 6,547,662		
1 Total assets	6,297,832		ARZINITE
2 Total current assets			
3 Cash and cash equivalents 46 Cash	301,558		
47 Certificates of Deposit Accounts receivables -	301,558		
Accounts receivables - 4 trade	1,709,974		
5 Other account receivables	148,852 3,949,875		
6 Inventories	187,573	e.c	
7 Other current assets 8 Long Term assets	249,830		
Long terms accounts 9 receivables- trade	53,923		
Investments in non			
10 subsidiaries companies 11 Other long term assets		nimerika kalunda yang	in strain Light Light
Property, machinery and	191,506		
12 equipment, net	60,911		
Machinery and industrial	194,285		
14 equipment	135,589		
15 Other equipments 16 Depreciation	199,279		u je marandan. Lili
17 Process construction			
18 Diferred assets 48 Acrued expenses			
49 Goodwill			
50 Deferred income tax. 51 Others			
49 Other assets	4,401		
20 Total liabilities	4,332,997		
21 Current liabilities	2,198,922		Mass Assembly Ministra
Liabilities in foreing	113,126		
52 exchange			Frederic
53 Liabilities in mexican peso	s 2,085,796 782,002		
22 Suppliers 23 Bank loans	1,088,478		
24 Bonds			
54 Commercial paper 55 Mid term bonds			
56 Bonds current portion	160,589		
25 Payable Tax 26 Other current liabilities	167,853		ente.
Other current liabilities wi	CONT. A C. 10 THE PARTY OF THE		
57 cost	en petit i kan i kan kan en		
Other current liabilities 58 without cost	167,853		e umenjak i i iki Cilinia Majulian ye samanda

Long-term liabilities in	Substitution and the substitution of the subst	
59 foreing exchange	138,280	
Long-term liabilities in		
60 mexican pesos	672,452	
28 Loan banks	139,872	
29 Bonds	300,000	
61 Other liabilities		
62 Mid term bonds	300,000	
30 Other credits	370,860	A Commence of the Commence of
63 Other credits with cost		
64 Other credits without cost	370,860	
31 Diferred credits	1,323,343	187 Sept. 187
65 Goodwill		At the second second
66 Deferred income tax	1,323,343	
67 Others		
32 Other liabilities		
68 Other provisions		
69 Other liabilities		
Andrew profits to the second s		
33 Stockholders' equity	2,214,665	
34 Minority interest		
Majority stockholders'		
35 equity	2,214,665	
36 Common stock	188,894	网络斯特斯特斯特
37 Common stock paid	720	
38 Common stock updated	143,820	
39 Additional paid in capital	44,354	
40		
Stockholder' equity gain		
41 (loss)	2,025,771	n et legen en la
42 Retained earnings	2,021,337	
49		
Deficit from restatement of	(076 710)	
44 stockholders'equity	(276,719)	
70		
Deficit from restatement of	(276,719)	
71 stockholders'equity	The second of the real of the second of the	n sais tu galais
	281,153	
45 Net income		
The second secon	4,098,910	
72 Working capital		
73	34	
74 Numers of executives	1,536	
75 Numbers of employees*	5,497	
76 Numbers of workers*		
Número de Acciones en		
77 Circulación		
78		
(a) ("A service in units		Milliani yanin jaring inter
(*) information in units		

Consolidate Statement of Income

1 Sales 21 National 22 Foreign Convertions into U.S. 23 Dollars*** 2 Cost of sales 3 Gross profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing (69,762) 24 Interes expenses 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 35 Deferred P.T.U. Net result after income	
Convertions into U.S. Dollars*** Cost of sales Gross profit General and administrative expenses Operating Result Comprehensive result of financing Interest income Foreign exchange gain Monetary gain UDIS updated loses UDIS updated gains Result after comprehensive result of financing Adamsel tax Taxes provision and memployee profit sharing Lost result after income 10 employee profit sharing Lost result after income Lost result after income Lost result after income	
Convertions into U.S. 23 Dollars*** 2 Cost of sales 3 Gross profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing (69,762) 24 Interes expenses (94,343) 25 Foreign exchange loss interest income 27 Foreign exchange gain 28 Monetary gain 29 Monetary gain 20 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income	
23 Dollars*** 2 Cost of sales 3 Gross profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing (69,762) 24 Interes expenses (94,343) 25 Foreign exchange loss (4,554) 26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 436,629 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Hot result after income	
2 Cost of sales 3 Gross profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing (94,343) 25 Foreign exchange loss 5 Interest income 7 Foreign exchange gain 20 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred I.S.R 33 Deferred P.T.U Ust result after income	
General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing (94,343) 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 IS.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income	
5 Operating Result Comprehensive result of 6 financing (69,762) 24 Interes expenses 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 29 UDIS updated loses 30 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income	
5 Operating Result Comprehensive result of 6 financing (94,343) 24 Interes expenses 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 29 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Faxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Note the secult after income.	
Comprehensive result of 6 financing 24 Interes expenses 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 29 UDIS updated loses 30 UDIS updated gains 30 Result after 30 comprehensive result of 31 comprehensive result of 32 comprehensive result of 33 comprehensive result of 34 comprehensive result of 35 comprehensive result of 36 comprehensive result of 37 comprehensive result of 38 comprehensive result of 39 comprehensive result of 30 compr	
6 financing 24 Interes expenses 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income	
24 Interes expenses 25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 29 UDIS updated loses 30 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred ISR 34 P.T.U. 35 Deferred P.T.U.	
25 Foreign exchange loss 26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred ISR 34 P.T.U 35 Deferred P.T.U.	
26 Interest income 27 Foreign exchange gain 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	
28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 1 axes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	
28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred ISR 34 P.T.U 35 Deferred P.T.U.	
Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 9 net Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	
Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred ISR. 34 P.T.U. 35 Deferred P.T.U.	
result before income tax raxes provision and employee profit sharing 15 Result SR. 20 Deferred I.S.R. 31 Deferred P.T.U. 32 Deferred P.T.U.	
7 financing 8 Other financial operation Other income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	
8 Other financial operation Other income (expenses) 29 net 59 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	
Other income (expenses) 29 net 59 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred ISR 34 P.T.U 35 Deferred P.T.U.	
29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 ISR 33 Deferred ISR 34 P.T.U. 35 Deferred P.T.U.	
Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	
Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Not result after income	
9 and asset tax Taxes provision and 10 employee profit sharing 32 I/S/R 33 Deferred I/S/R 34 P.T.U 35 Deferred P.T.U	
Taxes provision and 10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U.	・
10 employee profit sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Not result after income	
32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Not result after income	を主要が発展が表現が表現がある。 14. 第2. 第2. 第2. 第2. 第2. 第2. 第2. 第2. 第2. 第2
33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Not result after income	
34 P.T.U. 35 Deferred P.T.U. Not result after income	
35 Deferred P.T.U.	
Net result after income	
281,15	Constitution of the control of the c
17 tax and assettes	
Results of non subsidiaries	
12 companies Net result for continuing	
13 operations 281,15	
Results for discontinuing	
14 operations	
Net result before	
15 extraordinary parties	
Extraordinary parties	
16 expenses (income) net	
17 18 net income 281.14	
40 Minoribunterest	The second section of the se
20 Mayoritary net result 281,1	A STATE OF THE PROPERTY OF THE
	1 September 1 Sept
36 Ola Sales	
37 4.479 <i>7</i>	25
38 Net SaleS	DANKER BERTON TO THE LOCAL CONTROL OF THE STATE OF THE ST
39 Kesuits of operations	O Company of the Comp
40 Mayoritary net results** 520.8 41 Net result** 520.8	

-- --- ...

Third Fiscal Quarter of 2000

nird Fiscai Quarter of		
onsolidated Balance Sh		
3	rd Q 2003	
1 Total assets	7,093,052	
	6.787,373	
2 Total current assets		
3 Cash and cash equivalents	397,862	
16 Cash		
7 Certificates of Deposit		
Accounts receivables -	1,678,541	*
4 trade		
5 Other account receivables	145,546	
6 Inventories	4,370,461 194,963	
7 Other current assets	305,679	111
8 Long Term assets Long terms accounts		
9 receivables- trade	54,007	
Investments in non		
10 subsidiaries companies		
11 Other long term assets. Property, machinery and		
12 equipment, net	242,735	
13 Real states	59,869	
Machinery and industrial	201,179	
14 equipment 15 Other equipments	190,494	
16 Depreciation	208,807	
17 Process construction		
18 Diferred assets		erines La casa
48 Acrued expenses 49 Goodwill		
50 Deferred income tax		
51 Others	8,937	
19 Other assets		TW.
20 Total liabilities	4,690,498	
	1,960,643	
21 Current liabilities		řijan.
*Liabilities in foreing 52 exchange	154,240	Mary.
	1005 103	
53 Liabilities in mexican pesos	1,806,403 742,307	
22 Suppliers 23 Bank loans	861,935	
24 Bonds		
54 Commercial paper		
55 Mid term bonds		
56 Bonds current portion 25 Payable Tax	47,074	10.150
26 Other current liabilities	309,327	11
Other current liabilities with		igin.
57 cost Other current liabilities		er i i
58 without cost	309,327 ************************************	
27 Long-term liabilities	1,314,485	424
Long-term liabilities in	146,433	
59 foreing exchange		

Long-term liabilities in	1,168,052	
60 mexican pesos	141,806	
28 Loan banks	800,000	
29 Bonds		
61 Other liabilities	800,000	
62 Mid term bonds	372,679	
30 Other credits		
63 Other credits with cost	372,679	
64 Other credits without cost	1,415,370	
31 Diferred credits		
65 Goodwill	1,415,370	
66 Deferred income tax		Part Company
67 Others		
32 Other liabilities		
68 Other provisions		Fig.
69 Other liabilities		
	2,402,554	
33 Stockholders' equity		
34 Minority interest		
Majority stockholders	2;402,554	
35 equity	190,853	
36 Common stock	720	
37 Common stock paid	145,319	236 (157)
38 Common stock updated	44,814	
39 Additional paid in capital		
40	CONTROL OF PROPERTY OF A PROPE	
Stockholder' equity gain	2,211,701	
41 (loss)	2,042,301	
42 Retained eamings		are specifically between a
43		
Deficit from restatement of	(279,589)	
44 stockholders equity		
70 Deficit from restatement of		
71 stockholders equity	(279,589)	
71 Stockholders equity		
AT NATIONOMA	448,989	
45 Net income		A CONTRACTOR
no Welling capital	4,826,730	
72 Working capital		
73 74 Numers of executives *	28	
75 Numbers of employees*	1,591	
76 Numbers of workers*	5,084	
Número de Acciones en		e goeragiên
77 Circulación		andresizioni forma
78		
		The street
(*) information in units		
	1466 P. C.	

	Aller and the state of the stat	San A service de la companya de la c	THE CONTRACT OF THE CONTRACT O
1 Sales	3,659,176 3,659,176		
21 National			
22 Foreign Convertions into U.S.			
23 Dollars***	2:471,742		
2 Cost of sales 3 Gross profit	1,187,434		
General and administrative	358,661		
4 expenses	828,773		Andreas Control of the Control of th
5 Operating Result Comprehensive result of			
6 financing	(130,902) (153,983)		
24 Interes expenses 25 Foreign exchange loss	(15,246)		
26 Interest income	8,129 4,645		
27 Foreign exchange gain	28,715		
28 Monetary gain 42 UDIS updated loses	(3,191)		
43 UDIS updated gains	29		
Result after comprehensive result of			
7 financing	697,871 3,160		
8 Other financial operation			
Other income (expenses) 29 net	3,160		
<i>30</i>			
31 Result before income tax			
9 and asset tax	701,031		
Taxes provision and	252,042		
10 employee profit sharing	2,1,1	Tikang manggapan sa Panggapan Sanggapan sanggapan sa Panggapan Sanggapan	
33 Deferred I.S.R.	249,931		
34 P.T.U. 35 Deferred P.T.U.			
Net result after income	448,989		
11 tax and asset tax Results of non subsidiaries			
12 companies			
Net result for continuing	448,989	A CONTROL OF THE PROPERTY OF T	
13 operations Results for discontinuing			
14 operations			
Net result before 15 extraordinary parties	448,989		
Extraordinary parties			
16 expenses (income) net			
17 18 net income	448,989	AND DESCRIPTION OF THE PROPERTY OF THE PROPERT	
19 Minority interest	448,989		
20 Mayoritary net result			
36 Total sales	3,659,176 (390,366)		
37 38 Net sales**	4,725,194		
39 Results of operations**	1,027,330 580,761		
40 Mayoritary net results**	580,761		AND THE CONTRACTOR OF THE CONT
41 Net result**			
Committee of the commit			

1 Net result	448,989	ci Ni
Add items not requiring	07E 0E4	10 5.
2 the use of cash	275,854	ia .
Depreciation and	25,923	175 *
13 amortization of the period Increment (Decre.) in Net		Ì
14 labor obligation		i.
Loss (gain) net in foreign		
15 exchanges		Alta S
Loss (gain) Net for		Ì
liabilities and assets		
16 updates 17 Other parties	249,931	Š.,
Cash flow derived from		
3 net result of the period	724,843	
Change in the working	4 (49.520)	
4 capital	(1,418,529)	
Decrement (Incre.) in	(519,121)	
18 account receivables	A companies de la companie de la com	
Decrement (Incre.) in 19 Inventaries	(1,306,661)	
Decrement (Incre.) Other		
accounts receivables,		
prepaid expenses and	(48,896)	
20 other assets		
Increment (Decre.) in	333,668	
21 suppliers Increment (Drecre.) in		
22 Other liabilities	122,481	
Resources (used in)		
provides by operating	(693,686)	
5 activities		
Change in external 6 financial activities	779,695	
+Bank loans and bond in		
23 short-term debt	725,079	
+Bank loans and bonds in	500,000	
24 long-term debt	The state of the s	
25 26 +Other financing		
-Amortization of bank		p-41
27 financing	(445,384)	, v
-Amortization of financing		
28 Bonds		
-Amortization of other 29 financing		
Change in own financial		
7 activities		114
Increment (Decre.)		
30 common stock		
31 32 Additional paid in capital		
22		\$1.00 12.6
Resources provided by		re (
(Used in) financial	779.695	
8 activities		
Resources provided by		
(Used in) investing	(98,621)	
9 activities		tini
34	THE CARD Microsophy Language Control of Cont	

machinary and equipment,			
35 net	(98,521)	se compressed in a	
Increment in progress	n di		en e
36 construction 37			
38 39 Other parties	1.2 1.2 1.2 (1.2)		
Net increase (decrease) in			
10 cash and cash equivalent	(12,512) 410,374		dilan
11 Cash and cash equivalent		Administration of the second s	
Cash and cash equivalen	397,862		
12 at the end of the period			

4tl	i Q 2003	
1 Total assets	7,694,944	
2 Total current assets	7,348,899	
3 Cash and cash equivalents	403,230	
6 Cash		
17 Certificates of Deposit		
Accounts receivables -	1,595,827	
4 trade		
5 Other account receivables	114,737 5,024,068	
6 Inventories	211,037	
7 Other current assets 8 Long Term assets	346,045	
Long terms accounts	and the second s	
9 receivables-trade	66,046	
investments in non		:X-,
10 subsidiaries companies		7. H
11 Other long term assets Property, machinery and		
12 equipment, net	269,361	
13 Real states	60,679	
Machinery and industrial	213,670	
14 equipment 15 Other equipments	212,043	
16 Depreciation	217,031	
17 Process construction		
18 Diferred assets		
48 Acrued expenses 49 Goodwill		
50 Deferred income tax		
51 Others	10,638	
19 Other assets		
20 Total liabilities	5,176,135	
21 Current liabilities	2,394,888	
Liabilities in foreing		
52 exchange		
100 Descent		
53 Liabilities in mexican pesos 22 Suppliers	1,110,702	
23 Bank loans	921,948	
24 Bonds		ing a second
54 Commercial paper 55 Mid term bonds		
56 Bonds current portion	041,000	
25 Pavable Tax	211,009 151,229	
26 Other current liabilities		
Other current liabilities with 57 cost		
Other current liabilities		
58 without cost 27 Long-term liabilities	151,229 1,313,369	

59 foreing exchange	145,500	
Long-term liabilities in		
60 mexican pesos	1,167,461 may a	
28 Loan banks	369,443	
29 Bonds	- 1800,000	
61 Other liabilities		
62 Mid term bonds	800,000	
30 Other credits	143,926	
63. Other credits with cost		
64 Other credits without cost	143,926	
31 Diferred credits	1,466,821	
65 Goodwill		
66 Deferred income tax	1,466,821	
67 Others 32 Other liabilities	1,057	
32 Other habilities	1,057	
68 Other provisions		
69 Other liabilities		
	2,518,809	
33 Stockholders' equity	e anné let tamén et la mili	
34 Minority interest		
Majority stockholders'	2,518,809	
35 equity	151,117	第776年的 首 (1985年)
36 Common stock	720	
37 Common stock paid	144,930	
as Common stock updated	5,467	
39 Additional paid in capital.		
40		
Stockholder! equity gain	2,367,692	
41 (loss)		
42 Retained earnings	2,075,838	
Marie Carlos Car		
Deficit from restatement of	(320,655)	en la proposició de la compansión de la co
44 stockholders'equity	(320,055)	
70		
Deficit from restatement of	(ODG SEE)	
71 stockholders'equity	(320,655)	
Company Compan	040 E00	
45 Net income	612,509	
	4,954,011	
72 Working capital	A STATE OF THE STA	
73	37	
74 Numers of executives	1,641	
75 Numbers of employees		
76 Numbers of workers	4,846	The first that the second state of
Número de Acciones en		To British and the Control of the Co
77 Circulación*		
78		
(*) information in units		

	5,232,911			
1 Sales	5,232,911			iii aa
1 National				FO CHICAGO
2 Foreign Convertions into U.S.		Service of the servic		
			Section Contract Cont	
3 Dollars*** 2 Cost of sales	3,535,874			Nil ba
3 Gross profit	1,697,037			e describina
General and administrative				
4 expenses	565,418		o stalling stalling	
5 Operating Result	1,131,619	-20-10-10-10-10-10-10-10-10-10-10-10-10-10		
Comprehensive result of				
6 financing	(168,021)			
24 Interes expenses	(210,042)			Saviet 19
25 Foreign exchange loss	(24,970)			
26 Interest income	10,935 9,730	ung dan di kasal-propries distriction di Company		
27 Foreign exchange gain	47,599			STATE OF STATE
28 Monetary gain	(1,322)			ra Hillia
42 UDIS updated loses	\',',\ <u>\</u>			
43 UDIS updated gains				
Result after				
comprehensive result of	963,598			
7 financing	(6,024)			
8 Other financial operation				
Other income (expenses)	(6,024)			
29 net same			and the second	
30		ija nasi sebesah perdebah Kacamatan sebesah perdebah		
31 Result before income tax				
9 and asset tax	957,574			
Taxes provision and				gjje Oseni Mose – Ale
10 employee profit sharing	345,065	าย เกาะสาราช (ค.ศ. 1967) - 1967 (ค.ศ. 1967) - 1967 (ค.ศ. 1967) - 1967 (ค.ศ. 1967)		Japan vi seri
32 I.S.R.	17,453			
33 Deferred I.S.R.	327,612			
34 P.T.U.				
35 Deferred P.T.U.	COLUMN TERMINATION OF THE STREET		gir dipo	
Net result after income		Sant Superior Stage (Sec.)		
11 tax and asset tax	612,509	ระบัติการสาธารณ์ ของการสาธาร์การได้เกียร์กับสิธิสตร์การก		Lands Lands
Results of non subsidiaries				
12 companies				
Net result for continuing	612,509			
13 operations				
Results for discontinuing	보다 그는 경기를 가고 있다. 불자			
14 operations	Applicate:	edrinisti (Silisi):		
Net result before	612,509			
15 extraordinary parties Extraordinary parties				nas trati Aldas Albah
16 expenses (income) net				
17 18 net income	612,509			
19 Minority interest		2.545.6763.757数数数数数		ij, Fi
20 Mayoritary net result	612,509			
			randi di Karagani Kanadaran dan Karagani Kanadaran dan Karagan	
36 Total sales	5,232,910			radio esta
37				
38 Net sales**	5,232,911			
30 Results of operations**	1,131,619			
40 Mayoritary net results**	612,509			
41 Net result	612,509			

Consolidate Statements of	Changes in the	
	612,509	
1 Net result		
Add items not requiriring	363,362	
2 the use of cash	The first of the second of the	
Depreciation and	35,504	
13 amortization of the period		
Increment (Decre.) in Net	246	
14 labor obligation		
Loss (gain) net in foreign		
15 exchanges		
Loss (gain) Net for liabilities and assets		
16 updates		
17 Other parties	327,612	
Cash flow derived from		
3 net result of the period	975,871	Aug 150
Change in the working	disability in	and the second con-
4 capital	(1,873,863)	
Decrement (Incre.) in	er pelangan salah sa Salah salah sa	
18 account receivables	(428,519)	
Decrement (Incre.) in	e produkta je postali kaj se distribuita kaj mende kaj mende kaj	
10 Inventaries	(2,001,737)	
Decrement (Incre.) Other		
accounts receivables,		
prepaid expenses and	267	
20 other assets		
Increment (Decre.) in	469,197	
21 suppliers		
Increment (Drecre.) in	86,929	
22 Other liabilities		
Resources (used in)		
provides by operating	(897,992)	
5 activities		
Change in external 6 financial activities	1,050,527	
+Bank loans and bond in		Zielen in der St.
23 short-term debt	are Committee and Early December 2015	
+Bank loans and bonds in		
24 long-term debt	1,050,527	
25		
26 +Other financing	and the state of t	
-Amortization of bank		
27 financing		
-Amortization of financing		
28 Bonds		
-Amortization of other		
29 financing	The state of the s	
Change in own financial	(32,933)	
7 activities	The transfer of the same of th	
Increment (Decre.)	(32,933)	
30 common stock		
31		
32 Additional paid in capital		
33 Resources provided by	and the second s	
(Used in) financial		
8 activities	1,017,594	
Resources provided by	W School Control of the Control of t	
(Used In) investing		
9 activities	(133,486)	
2.deritina.	•	

	-Adquisition of property.				
	machinary and equipment,	/133	(486)		
35	net Increment in progress	1190		9-135 PM	
36	construction				
37					44 10 (10)
38 39	Other parties			j filologija	
	Net increase (decrease) in	T A	3,884)		
10	cash and cash equivalent	The state of the s	3,00 4) 7,114	and the same of th	
44	Cash and cash equivalent Cash and cash				· Programme
AL S	equivalent at the end of		0.00		
12	2 the period	AU Laughan (1911)	3,230		
	•				

Consolidated Balance Sheets

	4th Q 2003 7,544,599	
1 Total assets		
2. Total current assets	6,299,627	
3 Cash and cash equivalents 46 Cash 47 Certificates of Deposit	403,230	
Accounts receivables	1,445,482	
5 Other account receivables 6 inventories 7 Other current assets	114,737 4,125,141 211,037 1,244,972	
8 Long Term assets Long terms accounts 9 receivables- trade Investments in non	66,046	
10 subsidiaries companies 11 Other long term assets Property, machinery and 12 equipment, net 13 Real states	269,361 60,679	
Machinery and industrial 14 equipment 15 Other equipments	213,670 212,043 217,031	No. of the control of
16 Depreciation 17 Process construction 18 Diferred assets 48 Acrued expenses 49 Goodwill 50 Deferred income tax 51 Others 19 Other assets	909,565	
20 Total liabilities	3,557,912	
21 Current llabilities Liabilities in foreing 52 exchange Liabilities in mexican	2,188,902	
53 pesos 22 Suppliers 23 Bank loans 24 Bonds 54 Commercial paper	1,098,394 921,948	
55 Mid term bonds 56 Bonds current portion 25 Payable Tax 26 Other current liabilities Other current liabilities with	167,676 884	
57 cost Other current liabilities 58 without cost 27 Long-term liabilities Long-term liabilities in 59 foreing exchange	884 1,369,010	

60 mexican pesos	369,443	
28 Loan banks	800,000	
29 Bonds 51 Other liabilities	Facilities of the second of the left	
62 Mid term bonds		
30 Other credits	199,567	
63 Other credits with cost		
	6	
64 Other credits without cost	199,567	
31 Diferred credits		
65 Goodwill	1,466,821	
66 Deferred income tax		
67 Others	1,057	
32 Other liabilities		
68 Other provisions	1,057	
69 Other liabilities		
33 Stockholders' equity	2,518,809	
33 Stockholders, 64-19		
34 Minority Interest		
Majority stockholders		
35 equity	2,518,809	
36 Common stock	161,054 	
37 Common stock paid	144,930	
38 Common stock updated	15,404	
39 Additional paid in capital		
40		
Stockholder equity gain	2,357,755	Adversition (1997)
41 (loss)	2,075,838	
42 Retained earnings		
Deficit from restatement of		
44 stockholders'equity	(330,592)	
70		
Deficit from restatement of		
71 stockholders'equity	(330,592)	
	612.509	and the second s
45 Net income		
	4,110,725	
72 Working capital		
73 74 Numers of executives *	37	
74 Numbers of employees*	1,641	
76 Numbers of workers*	4.846	
Número de Acciones en		
77 Circulación		
78		
(*) information in units		

1 Sales	5,232,911 5,232,911	pod nestina a	
1 National			
22 Foreign Convertions into U.S.		A SAME AND A SAME	
23 Dollars*** 2 Cost of sales	3,535,874		
3 Gross profit	1,697,037		
General and administrative			
4 expenses	565,418		
5 Operating Result	1,131,619		
Comprehensive result of	(168,021)		
6 financing	(210,042)	A CONTRACTOR CONTRACTO	opinio de la composició d La composició de la composició
24 Interes expenses	(24,970)		
25 Foreign exchange loss	10,935		
26 Interest income	9,730		
27 Foreign exchange gain	47,599		
28 Monetary gain	(1,322)		
42 UDIS updated loses	49		
43 UDIS updated gains Result after			
comprehensive result of			
7 financing	963,598	V (VIII) KARANGAN KARANGAN (VIII) KARANGAN (VIIII) KA	
8 Other financial operation	(6,024)	Transferies de la company de la company Company de la company de l	
Other income (expenses)			
29 net	(6,024)	AND RESERVED TO THE RESERVED OF THE PROPERTY O	
30			
31			
Result before income tax			
9 and asset tax	957,574		
Taxes provision and	A.E 66E		
10 employee profit sharing	345,065 17,453		
32 I.S.R.	327,612		
33 Deferred I.S.R.	327,072		
34 PT.U.	AND		
35 Deferred P.T.U.			
Net result after income	612,509		
11 tax and asset tax			
Results of non subsidiaries			
12 companies Net result for continuing	egy (f. 1975) and the second s	TO ALL DESCRIPTION OF THE PROPERTY OF THE PROP	The second secon
13 operations	612,509		
Results for discontinuing			
14 operations			
Net result before			
15 extraordinary parties	612,509		
Extraordinary parties	AND DESCRIPTION OF THE PROPERTY OF THE PROPERT		
16 expenses (income) net			
17	612,509		
18 net Income			
19 Minority Interest	612,509		
20 Mayoritary net result			
	5,232,910		
36 Total sales			
37 38 Net sales**	5,232,911	# 1	
38 Net sales 39 Results of operations**	1,131,619	a Angeles de la Companya de la Compa	
40 Mayoritary net results**	612,509	for the companies of th	
40 Mayoritally net leading	612,509		
41 Net result*		i bossie-yasts.	
	Marin E. Carllette		
,			

1 Netresult	612,509	
Add items not requiriring	363,420	
2 the use of cash Depreciation and		
13 amortization of the period	35,504	
Increment (Decre.) in Net 14 labor obligation		
Loss (gain) net in foreign	To be a second or the second of the second or the second o	The state of the s
15 exchanges Loss (gain) Net for		
liabilities and assets		and placed to the second s
16 updates 17 Other parties	327,916	
Cash flow derived from	975;929	
3 net result of the period Change in the working		
4 capital	(1,867,705)	
Decrement (Incre.) in 18 account receivables	(378,206)	dankan se
Decrement (Incre.) in		and the state of t
19 inventaries Decrement (Incre.) Other	(1,978,765)	
accounts receivables,		
prepaid expenses and 20 other assets	(5,796)	ed records.
Increment (Decre.) in		
21 suppliers Increment (Drecre.) in	501,902	
22 Other liabilities	(6,840)	1. 240 m = 20 Kings
Resources (used in)		and the superior of the superi
provides by operating 5 activities	(891,776)	
Change in external 6 financial activities	1,038,248	
+Bank loans and bond in		
23 short-term debt +Bank loans and bonds in		American
24 long-term debt	1,050,527	
25	(12,279)	24. alie p. 10.00 alie
26 +Other financing -Amortization of bank		
27 financing -Amortization of financing		
28 Bonds		
-Amortization of other 29 financing		
Change in own financial	(32,932)	
7 activities Increment (Decre.)		
30 common stock	(32,932)	reger die 2 Zanger. Roller
31 32 Additional paid in capital		
33		
Resources provided by (Used in) financial		of the competent to the
8 activities	1,005,316	en Standard Comment
Resources provided by (Used in) investing		
9 activities	(127,424)	China donasia. Selan
34		AND THE PROPERTY OF THE PROPER

San t	machinary and equipment (127,424)
35	- 100
. A. 199	Increment in progress
36	construction
37	
.38	
39	Other parties
	(Macrosovin
٠. `	Net increase (decrease) in (13,884)
4/6	0 cash and cash equivalent
1.	1 Cash and cash equivaler.
0.5.0	Cash and cash equivalent
1	2 at the end of the period (1997) 403,230
Ų".	Not that the control of the control

nsolidated Balance Sh	eets	The figure of the second secon	
	1st Q 2004		7 F 2
Total assets	7,598,433		
2 Total current assets	7,236,019		
3 Cash and cash equivalents	168,906		
Cash — —			
Certificates of Deposit Accounts receivables -			
4 trade	1,571,373		
5 Other account receivables	134,412		
6 Inventories	5,164,221 197,107		
7 Other current assets 8 Long Term assets	362,414		
Long terms accounts	70,265		
9 receivables- trade Investments in non			
0 subsidiaries companies		100 (100 (100 (100 (100 (100 (100 (100	
1 Other long term assets Property, machinery and			
12 equipment, net	281,484 64,525		i i
13 Real states Machinery and industrial			
14 equipment	215,142 222,878		
15 Other equipments 16 Depreciation	221,061		
17 Process construction 18 Diferred assets			
48 Acrued expenses			
49 Goodwill 50 Deferred income tax			
51 Others	10,665		
19 Other assets			
20 Total liabilities	5,173,621		de las
21 Current liabilities	2,127,638		
Liabilities in foreing 52-exchange			
Liabilities in mexican	en er begræver i skriver og skriver og skriver. Hen er skriver og skri Hen er skriver og skri		
53 pesos 22 Suppliers	1,059,380		
23 Bank loans	825,008		
24 Bonds 54 Commercial paper.			
55 Mid term bonds			
56 Bonds current portion 25 Payable Tax	236,263		
26 Other current liabilities Other current liabilities with	6,987		
57 cost	on and the Consection of the C		
Other current liabilities 58 without cost	6,987		
27 Long-term liabilities	1,490,889	ra (dia 1504 and and a 1500) And 1500 - English and a state of the state of	
Long-term liabilities in 59 foreing exchange			

60 mexican pesos 28 Loan banks	342,978	
29 Bonds	800,000	
61 Other liabilities		
62 Mid term bonds		
30 Other credits	347,911	
63 Other credits with cost		
64 Other credits without cost	347,911	
31 Diferred credits	1,554,037	
65 Goodwill		
66 Deferred income tax	1,554,037	
67 Others		ner untigeles in 12 paris le 2 paris
32 Other liabilities	1,057	
68 Other provisions	and the state of	
69 Other liabilities	1,057	
Source (1) State Company of the Comp		
33 Stockholders' equity	2,424,812	
		and the second of the second
34 Minority Interest		
Majority stockholders'		
35 equity	2,424,812	
36 Common stock	133,883	
37 Common stock paid	720	
38 Common stock updated	117,518	
39 Additional paid in capital	15,645	
40	Principles	
Stockholder' equity gain	\$1000 E-100	
41 (loss)	2,290,929	
42 Retained earnings	2,476,293	
43		and the marking of the party same.
Deficit from restatement of		
44 stockholders'equity	(332,378)	
70		
Deficit from restatement of	(020 278)	
71 stockholders'equity	(332,378)	
	147,014	
45 Net income		
	5,108,381	
72 Working capital		
73	38	
74 Numers of executives *	1,671	
75 Numbers of employees*	3,897	
76 Numbers of workers*		
Número de Acciones en		
77 Circulación*		
78		STANDARD STANDARD STANDARD
(*) information in units		

1 Sales	1,136,309 1,136,309		
1 National 2 Foreign			
Convertions into U.S.			
23 Dollars***	766,686		
2 Cost of sales	369,623		
3 Gross profit General and administrative			
4 expenses	121,121 248,502		
5 Operating Result	248.39 2		of in the contract of the cont
Comprehensive result of	(18,948)	· · · · · · · · · · · · · · · · · · ·	
6 financing 24 Interes expenses	(58,705)		draje) dijing
25 Foreign exchange loss	(5,097)		
26 Interest income	2,894 8,157		
27 Foreign exchange gain	33,799		
28 Monetary gain 42 UDIS updated loses	(21)		Confidence Control Con
43 UDIS updated gains	25		
Result after			
comprehensive result of	229,554		
7 financing 8 Other financial operation	1,506		
Other income (expenses)			
29 net	1,506		
30		SELECTION OF THE SELECT	
31 Result before income tax	The state of the s		
9 and asset tax	231,060		
Taxes provision and	84,046		
10 employee profit sharing			
32 I.S.R. 33 Deferred I.S.R.	84,046		
34 P.T.U.			
35 Deferred P.T.U.			
Net result after income	147,014		
11 tax and asset tax Results of non subsidiaries			
12 companies			
Net result for continuing	147,014		
13 operations Results for discontinuing			
14 operations			
Net result before			
15 extraordinary parties	147,014		
Extraordinary parties	AMERICAN	7.00	
16 expenses (income) net			
18 net income	147,014		
19 Minority interest	147,014		
20 Mayoritary net result			
36 Total sales	1,136,308		
37	5,486,591		
38 Net sales**	5,486,591 1,186,824		
39 Results of operations**	646,929		
40 Mayoritary net results** 41 Net result**	646,929		
41.75.1534			100 (100 (100 (100 (100 (100 (100 (100

1 Net result	147,014	
Add items not requiring	93/681	
2 the use of cash	a na angaranga kang salah pada pada na mang salah salah salah	
Depreciation and	9,635	
3 amortization of the period Increment (Decre.) in Net		
Increment (Decis.)		
Loss (gain) net in foreign		
15 exchanges		
Loss (gain) Net for		
liabilities and assets		
16 úpdates	84,046	
17 Other parties Cash flow derived from		
3 net result of the period	240,695	
Change in the working	maring the second was	90
4 capital	(23,761)	
Decrement (Incre.) in		
18 account receivables	(97, 667)	
Decrement (Incre.) in	(77,731)-	The state of the s
10 Inventaries	$V^{\prime\prime}$	
Decrement (Incre.) Other		
accounts receivables,		100
prepaid expenses and	(26,585)	
20 other assets		
Increment (Decre.) in	88,952	
21 suppliers Increment (Drecre.) in		
22 Other liabilities	89,270	
Resources (used in)		
provides by operating	216,934	
5 activities		
Change in external	(156,241)	
6 financial activities		
+Bank loans and bond in		
23 short-term debt +Bank loans and bonds in		
24 long-term debt	(156,241)	Name of the Control
25		
26 +Other financing		
-Amortization of bank		
27 financing		
-Amortization of financing		
28 Bonds -Amortization of other		
29 financing		
Change in own financial		
7 activities	(283,958)	
increment (Decre.)	(283,958)	
30 common stock	(200,400)	
31		
32 Additional paid in capital		
33 Resources provided by		
(Used in) financial		
8 activities	(440,199)	
Resources provided by		Park, Sa
(Used in) investing		
9 activities	(17,388)	
27/		No. 2

35 net
increment in progress
36 construction
37
38
39 Other parties

Net increase (decrease) in 10 cash and cash equivalent 11 Cash and cash equivalent Cash and cash equivalent 12 at the end of the period

(17,388)

(17,388)

(240,653)

409,559

Type of Information or Report	Information Publication Date	Source of Requirement or Practice	Requisite Publication Date
Financial information for the fourth fiscal quarter of 2002	February 27, 2003	Article 14 Bis 2 of the Securities Market Law and Circular 10-143 issued by the National Banking and	Within 40 business days from the end of the fiscal quarter.
See (1) of Annex A and Annex C (1)		Securities Commission ("CNBV") (repealed on March 19, 2003)	
Financial information for the first fiscal quarter of 2003 See (2) of Annex A and Annex C (2)	April 29, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of the General Rules for Issuers of Securities, issued by CNBV on March 19, 2003 ("CNBV Issuers' Rules")	Within 20 business days from the end of the fiscal quarter.
Summary of resolutions adopted by the Annual Shareholders' Meeting See (3) of Annex A	May 2, 2003	Article 14 Bis 2 of the Securities Market Law and Article 34 of CNBV Issuers' Rules	The next business day from the date of the Annual Shareholders' Meeting
Audited financial information for the fiscal year of 2002 See (4) of Annex A and Annex C (4)	May 4, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 3 business days from the date of the Annual Shareholders' Meeting
Annual information for the fiscal year 2002 See (5) of Annex A	May 6, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 3 business days from the date of the Annual Shareholders' Meeting

RECEIVED

1001 JUN 24 A 9 14

Application for authorization for registration and public offering of Ps500 million offering of certificados bursátiles (debentures) See (6) of Annex A	June 13, 2003	Article 14 of the Securities Market Law and Article 2 of CNBV Issuers' Rules	
Report of level of compliance with Better Corporate Governance Practice Code See (7) of Annex A	June 27, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	By June 30
Annual report See (8) of Annex A	June 30, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	By June 30
Final prospectus for the Ps500 million offering of certificados bursátiles (debentures) See (9) of Annex A	July 25, 2003	Article 24 of CNBV Issuers' Rules	By July 25 (date of the offering)
Financial information for the second fiscal quarter of 2003 See (10) of Annex A and Annex C (10)	July 28, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 20 business days from the end of the fiscal quarter
Restated bylaws See (11) of Annex A	July 28, 2003	Article 14 Bis 2 of the Securities Market Law and Article 34 of CNBV Issuers' Rules	Within 90 business days after March 20 (effective date of CNBV Issuers' Rules)

	August 12, 2003	Article 20 of CNBV Issuers' Rules	The next business day from the date on which the information is received from the underwriters
Financial information for the third fiscal quarter of 2003 See (13) of Annex A and Annex C (13)	October 28, 2003	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 20 business days from the end of the fiscal quarter
Summary of resolutions adopted by the Debenture Holders Meetings See (14) of Annex A	February 10, 2004	Article 14 Bis 2 of the Securities Market Law and Article 34 of CNBV Issuers' Rules	The next business day from the date of the Annual Shareholders' Meeting
Relevant Event Release See (A) of Annex B	February 11, 2004	Article 50 of CNBV Issuers' Rules	When the event occurs
Financial information for the fourth fiscal quarter of 2003 See (15) of Annex A and Annex C (15)	February 27, 2004	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 40 business days from the end of the fiscal quarter
Summary of resolutions adopted by the Annual Shareholders' Meeting See (16) of Annex A	March 22, 2004	Article 14 Bis 2 of the Securities Market Law and Article 34 of CNBV Issuers' Rules	The next business day from the date of the Annual Shareholders' Meeting

Audited financial information for the fiscal year of 2003 See (17) of Annex A and Annex C (17)	March 23, 2004	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 3 business days from the date of the Annual Shareholders' Meeting
Application for authorization for registration and public offering of shares See (18) of Annex A	March 23, 2004	Article 14 of the Securities Market Law and Article 2 of CNBV Issuers' Rules	
Annual information for the fiscal year 2004 See (19) of Annex A	March 24, 2004	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 3 business days from the date of the Annual Shareholders' Meeting
Relevant Event Release See (B) of Annex B	April 16, 2004	Article 50 of CNBV Issuers' Rules	When the event occurs
Financial information for the first fiscal quarter of 2004 See (20) of Annex A and Annex C (20)	April 29, 2004	Article 14 Bis 2 of the Securities Market Law and Article 33 of CNBV Issuers' Rules	Within 20 business days from the end of the fiscal quarter
Final prospectus for the offering of shares See (21) of Annex A	May 7. 2004	Article 24 of CNBV Issuers' Rules	By May 7, 2004 (date of the offering)

SUMMARIES OF INFORMATION OR REPORTS

RECEIVED

- Report of financial information for the fourth fiscal quarter of 2002, which included: JUN 24 A 9. 44 (1)
 - quarterly financial statements, a line by line translation of which is attached hereto as the result of the statements of the statement of the statements of (i)
 - (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the fourth fiscal quarter of 2002.

For the period ended December 31, 2002, the Company's total sales increased 10.1% to Ps. 4,111.9 from Ps. 3,735.9 in the same period ended in 2001. For the period ended December 31, 2002, the number of homes sold increased 10.4% to 17,730 from 16,058 for the same period ended December 31, 2001.

A description of the figures and information covered by the MD&A for the fourth fiscal quarter of 2002 is attached as Annex D (1); and

- (iii) a summary of the Company's principal accounting policies. The Company's financial statements have been prepared in accordance with generally accepted accounting principles in Mexico. The most important accounting policies and practices followed in the preparation of these financial statements are described below:
 - Basis of Consolidation a)

The consolidated financial statements include the accounts of Urbi and those of its subsidiaries. All significant intercompany balances, investments and transactions have been eliminated in the consolidated financial statements.

Use of Estimates b)

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the amounts reported in the financial statements and in the accompanying notes. Actual results could differ from those estimates.

Recognition of the Effects of inflation c)

The Company recognizes the effects of inflation on financial information as required by Mexican accounting Bulletin B-10, "Accounting Recognition of the Effects of Inflation on Financial Information", issued by the Mexican Institute of Public Accountants (MIPA).

d) Cash and cash equivalents

Cash and cash equivalents are represented principally by bank deposits and highly liquid investments with maturities of three months or less at the date acquired, and are stated at cost plus accrued interest. The stated value is not in excess of market value.

e) Reserve for doubtful accounts The Company computes the allowance for doubtful accounts related to customer balances at 33% on all past-due balances.

f) Inventories

The Company capitalizes interest and other comprehensive costs of financing derived from bank loans used principally for land development, in amounts defined by each project. The capitalization of these costs begins when activities necessary to develop the property commence and continues during the period in which the Company is actively working in the development of the land.

Land held for construction presented as long-term, are those that the Company cannot use within a year.

g) Property, machinery and equipment

Depreciation is computed using the straight-line method based on the estimated useful lives of the related fixed assets.

h) Revenue and cost recognition

Revenues from the Company's activities as a developer are recognized using the percentage-of-completion method in accordance with accounting Bulletin D-7 "Construction contracts", measured as the current percentage of costs incurred compared against the total estimated costs to be incurred in each development or project. Under this method, the estimated gross profit attributable to each development is determined by the percentage of completion of the development, and the resulting amount is added to the amount of actual costs incurred to that date to determine the amount of revenue to be recognized. The Company applies the percentage-of-completion method to costs and revenues based on equivalent units (cost incurred to total cost estimated for a house), when the following conditions have been met:

- We have received commitments from lenders to provide mortgage loan financing for the homes in the development; and
- The homebuyer complies with certain mortgage loan eligibility requirements and there is a commitment to buy (both the eligibility requirements and the commitment to buy depend on the type of financing available to the homebuyer).

Development costs include land, all direct material and labor costs and those indirect costs related to the development of the project, such as indirect labor, equipment, repairs, depreciation expense and the capitalized comprehensive result of financing of land development. General and administrative expenses are charged to results of operations at the time they are incurred. Variations on cost incurred against budgeted cost for each project are made in the period in which such variations are known.

i) Foreign currency

Transactions in foreign currency are recorded at the prevailing exchange rate at the time of the related transactions. Foreign currency denominated assets and liabilities are translated at the prevailing exchange rate at the balance sheet date. Exchange rate differences are applied to income of the year, except for those that are capitalized for development projects.

j) Liabilities denominated in investment units (UDIs)

Liabilities denominated in UDIs are presented in the balance sheet in Mexican Pesos at the UDI value published by the Banco de Mexico as of such date. Differences in the valuation are recognized as interest expense under the comprehensive result of financing.

k) Labor obligations

Under Mexican labor law, employees who die, are disabled or are dismissed in certain circumstances are entitled to a seniority premium equal to twelve days' salary for each year worked (for purposes of computing the seniority premium, such salary is not to exceed twice the legal minimum wage in effect at the time of the employee's separation). Termination payments are charged to statement of income in the year in which the decision to dismiss an employee is made.

1) Income tax, and asset tax and employee profit sharing

The Company recognizes deferred taxes on basically all temporary differences in balance sheet accounts between financial and tax values, using the enacted income tax rate at the balance sheet date.

The Company evaluates periodically the possibility of recovering deferred tax assets and, if necessary, creates or adjusts the related reserve.

Deferred employee profit sharing should be recognized only on temporary differences determined from the reconciliation of current year net income for financial and employee profit sharing reporting purposes, provided there is no indication that the related liability or asset will not be realized in the future.

Current year employee profit sharing is charged to results of operations and represents a liability due and payable in a period of less than one year.

The asset tax is included in deferred income tax, and a valuation allowance is created to the extent that based on available evidence it is more likely than not that some or all of the asset tax will not be realized.

Accumulated effect of deferred taxes presented in the stockholders' equity represents the first application of the Bulletin D-4, related to deferred taxes.

m) Earnings per share

The Company calculates earnings per share in conformity with Mexican Accounting Principles Bulletin B-14, "Earnings per Share", issued by the MIPA.

n) Concentration risk

The Company's financial instruments that are subject to credit risk are cash equivalents and accounts receivable. The Company invests a portion of its surplus cash in deposits with financial institutions. The Company does not consider the credit risk in accounts receivable to be significant, since usually it does not extend unsecured loans and only transfers the property when the customer or financial institution certifies that the corresponding mortgage loan has been approved and the required down-payment has been made.

o) Comprehensive income

The company's comprehensive income consists of the net income for the year, the result from holding non-monetary assets and the related deferred income taxes applied directly to stockholders' equity.

This report was filed with the Comision Nacional Bancaria y de Valores (Mexican Banking and Securities Commission; the "CNBV") and the Bolsa Mexicana de Valores (Mexican Securities Exchange; the "BMV") on the applicable electronic formats, and was made available to the public through the BMV website.

- (2) Report of financial information for the first fiscal quarter of 2003, which included:
 - (i) quarterly financial statements, a line by line translation of which is attached hereto as Annex C (2);
 - (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the first fiscal quarter of 2003.

For the three-month period ended March 31, 2003, the Company's total sales increased 16.0% to Ps. 925.6 from Ps. 797.8 in the same period ended in 2002. For the period ended March 31, 2002, the number of homes sold increased 11.3% to 3,653 from 3,282 for the same period ended March 31, 2002.

A description of the figures and information covered by the MD&A for the first fiscal quarter of 2003 is attached as Annex D (2); and

- (iii) a summary of the Company's principal accounting policies. The Company's financial statements have been prepared in accordance with generally accepted accounting principles in Mexico. The most important accounting policies and practices followed in the preparation of these financial statements are described below:
 - a) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and those of its subsidiaries. All significant inter-company balances, investments and transactions have been eliminated in the consolidated financial statements.

b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the amounts reported in the financial statements and in the accompanying notes. Actual results could differ from those estimates.

c) Recognition of the Effects of inflation

The Company recognizes the effects of inflation on financial information as required by Mexican accounting Bulletin B-10, "Accounting Recognition of the Effects of Inflation on Financial Information", issued by the Mexican Institute of Public Accountants (MIPA).

d) Cash and cash equivalents

Cash and cash equivalents are represented principally by bank deposits and highly liquid investments with maturities of three months or less at the date acquired, and are stated at cost plus accrued interest. The stated value is not in excess of market value.

e) Reserve for doubtful accounts

The Company computes the allowance for doubtful accounts related to customer balances at 33% on all past-due balances.

f) Inventories

The Company capitalizes interest and other comprehensive costs of financing derived from bank loans used principally for land development, in amounts defined by each project. The capitalization of these costs begins when activities necessary to develop the property commence and continues during the period in which the Company is actively working in the development of the land.

Land held for construction presented as long-term, are those that the Company cannot use within a year.

g) Property, machinery and equipment

Depreciation is computed using the straight-line method based on the estimated useful lives of the related fixed assets.

h) Revenue and cost recognition

Revenues from the Company's activities as a developer are recognized using the percentage-of-completion method in accordance with accounting Bulletin D-7 "Construction contracts", measured as the current percentage of costs incurred compared against the total estimated costs to be incurred in each development or project. Under this method, the estimated gross profit attributable to each development is determined by the percentage of completion of the development, and the resulting amount is added to the amount of actual costs incurred to that date to determine the amount of revenue to be recognized. The Company applies the percentage-of-completion method to costs and revenues based on equivalent units (cost incurred to total cost estimated for a house), when the following conditions have been met:

- We have received commitments from lenders to provide mortgage loan financing for the homes in the development; and
- The homebuyer complies with certain mortgage loan eligibility requirements and there is a commitment to buy (both the eligibility requirements and the commitment to buy depend on the type of financing available to the homebuyer).

Development costs include land, all direct material and labor costs and those indirect costs related to the development of the project, such as indirect labor, equipment, repairs, depreciation expense and the capitalized comprehensive result of financing of land development. General and administrative expenses are charged to results of operations at the time they are incurred. Variations on cost incurred against budgeted cost for each project are made in the period in which such variations are know.

i) Foreign currency

Transactions in foreign currency are recorded at the prevailing exchange rate at the time of the related transactions. Foreign currency denominated assets and liabilities are translated at the prevailing exchange rate at the balance sheet date. Exchange rate differences are applied to income of the year, except for those that are capitalized for development projects.

j) Liabilities denominated in investment units (UDIs)

Liabilities denominated in UDIs are presented in the balance sheet in Mexican Pesos at the UDI value published by the Banco de Mexico as of such date. Differences in the valuation are recognized as interest expense under the comprehensive result of financing.

k) Labor obligations

Effective January 1, 2003, the Company began to recognize seniority premium costs during the years of service of personnel, based on actuarial computations made by independent actuaries, using the projected unit-credit method, as required by Mexican accounting Bulletin D-3, "Labor Obligations", issued by the MIPA. Prior to January 1, 2003, the Company did not recognize these costs due to its immateriality and; therefore, did not restate prior years financial statements.

Under Mexican labor law, employees who die, are disabled or are dismissed in certain circumstances are entitled to a seniority premium equal to twelve days' salary for each year worked (for purposes of computing the seniority premium, such salary is not to exceed twice the legal minimum wage in effect at the time of the employee's separation). Termination payments are charged to statement of income in the year in which the decision to dismiss an employee is made.

1) Income tax, and asset tax and employee profit sharing

The Company recognizes deferred taxes on basically all temporary differences in balance sheet accounts between financial and tax values, using the enacted income tax rate at the balance sheet date.

The Company evaluates periodically the possibility of recovering deferred tax assets and, if necessary, creates or adjusts the related reserve.

Deferred employee profit sharing should be recognized only on temporary differences determined from the reconciliation of current year net income for financial and employee profit sharing reporting purposes, provided there is no indication that the related liability or asset will not be realized in the future.

Current year employee profit sharing is charged to results of operations and represents a liability due and payable in a period of less than one year.

The asset tax is included in deferred income tax, and a valuation allowance is created to the extent that based on available evidence it is more likely than not that some or all of the asset tax will not be realized.

Accumulated effect of deferred taxes presented in the stockholders' equity represents the first application of the Bulletin D-4, related to deferred taxes.

m) Earnings per share

The Company calculates earnings per share in conformity with Mexican Accounting Principles Bulletin B-14, "Earnings per Share", issued by the MIPA.

n) Concentration risk

The Company's financial instruments that are subject to credit risk are cash equivalents and accounts receivable. The Company invests a portion of its surplus cash in deposits with financial institutions. The Company does not consider the credit risk in accounts receivable to be significant, since usually it does not extend unsecured loans and only transfers the property when the customer or financial institution certifies that the

corresponding mortgage loan has been approved and the required down-payment has been made.

o) Comprehensive income

The company's comprehensive income consists of the net income for the year, the result from holding non-monetary assets and the related deferred income taxes applied directly to stockholders' equity.

p) New accepted pronouncements

Intangible Assets

Effective January 1, 2003, the Company adopted the requirements of the new Mexican accounting Bulletin C-8, *Intangible Assets* issued by the MIPA, which, among other things, specifies that project development costs are to be capitalized if they meet certain established requirements with respect to their recognition as assets.

Liabilities, Provisions, Contingent Assets and Liabilities and Commitments

Effective January 1, 2003, the Company also adopted the requirements of the new Mexican accounting Bulletin C-9, Liabilities, Provisions, Contingent Assets and Liabilities and Commitments, and its addendum, both issued by the MIPA, this new Bulletin is more precise in defining provisions, accrued liabilities and contingent liabilities, and contains new requirements with respect to the recording of provisions, the use of the present value and the early extinguishment of debt or their replacement by a new debt.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

- (3) Summary of the resolutions adopted at the Annual General Ordinary Shareholders Meeting held on April 30, 2003, which, among other things,
 - (i) approved the Board of Directors' report regarding the activities of the Company in 2003;
 - (ii) ratified all actions taken by the Board of Directors and transactions executed by the Company in 2003;
 - (iii) approved the application of 5% of the net earnings of the Company to increasing the statutory reserve; and
 - (iv) ratified the appointment of the members of the Board of Directors and the statutory auditors.

This information was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

- (4) Report of audited financial information for the fiscal year 2002, which included:
 - (i) 2002 year-end audited financial statements, a line by line translation of which is attached hereto as Annex C (4);

(ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the fiscal year of 2002,

For the period ended December 31, 2002, the Company's total sales increased 10.0% to Ps. 4,109.0 from Ps. 3,735.9 in the same period ended in 2001. For the period ended December 31, 2002, the number of homes sold increased 10.3% to 17,711 from 16,058 for the same period ended December 31, 2001.

A description of the figures and information covered by the MD&A for the fiscal year of 2002 is attached as Annex D (4); and

(iii) a summary of the Company's principal accounting policies. See summary (1) (iii) above.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

- (5) Filing of corporate documents and financial information for the fiscal year of 2002, which included:
 - (i) the Annual Shareholders' Meeting minutes;
 - (ii) the report of the Board of Directors on the progress of the Company during the fiscal year;
 - (iii) the statutory auditor's report regarding the truthfulness, sufficiency and reasonableness of the financial information presented by the Board of Directors;
 - (iv) the audited financial statements, a line by line translation of which is attached hereto as Annex C (4);
 - (v) a list of the directors, statutory auditors and principal officers of the Company, and
 - (vi) a certificate from the Deputy Secretary of the Company regarding the status of the corporate books of the Company.

These documents were filed with the CNBV and the BMV.

(6) Application to the CNBV and the BMV for authorization for (i) registration of Ps500 million certificados bursátiles (debentures) in the National Registry of Securities of the CNBV; (ii) listing of the debentures on the BMV, and (iii) public offering of the debentures.

The application included a draft of the preliminary prospectus, as well as other required corporate and financial documentation of the Company, including:

- (i) documents evidencing the authority of the representative of the Company who signed the application;
- (ii) certified copies of the Company's incorporation deed and restated by-laws;
- (iii) audited financial statements for the fiscal years of 2002, 2001 and 2000, and internal financial statements for the first fiscal quarter of 2003;

- (iv) legal opinion as to the validity of the securities, and
- (v) copies of the ratings afforded to the securities by Fitch México, S.A. de C.V. and Standard & Poor's.
- (7) Report of the Company's level of compliance with the Better Corporate Governance Practice Code (the "Code"), consisting of a questionnaire that follows each of the principles of such Code. The principles established by the Code are (i) to encourage companies to increase the amount of information regarding their management structure and the function of their corporate bodies; (ii) to suggest mechanisms by which companies can ensure that their financial information is sufficient; (iii) to establish processes that encourage participation and communication among board members; (iv) to encourage companies to develop mechanisms that encourage a proper level of disclosure to stockholders. The Code consists of five sections:
 - (i) Board of Directors: includes recommendations on the functions, integration, structure, operation and duties of the Board.
 - (ii) Evaluating and Compensating Directors: to evaluate and establish structures to allow company management to function in an efficient and transparent manner, including appointing senior executives and determining executive compensation.
 - (iii) Auditing: selection and appointment of auditors and examiners, verification of financial information, internal controls and compliance with applicable legal provisions in this area.
 - (iv) Finance and Planning: to oversee the financing, strategic planning and risk manangement policies and practices.
 - (v) Stockholder Information: aspects covered in the agenda of stockholders' meetings, quality and promptness of information, and communication between the Board of Directors and investors.

This report was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

(8) Annual report for the fiscal year of 2002, containing the same information that is required to be included in an offering prospectus, including corporate, operative and financial information of the Company, as well as risk factors section and a MD&A section. This report is equivalent to a report on Form 20-F.

This report was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

(9) Final offering prospectus for the Ps500 million domestic public offering of certificados bursátiles (debentures), including corporate, operative and financial information of the Company, as well as a description of the offering and the securities offered, and risk factors and MD&A sections.

The certificados bursátiles (debentures) (i) are due on June 2008, (ii) bear an annual interest rate of TIEE plus 2.25%, (iii) are guaranteed by certain subsidiaries of the Company and (iv) were rated "MXA" by Standard and Poor's and "A+(mex)" by Fitch México, S.A. de C.V.

This document was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

- (10) Report of financial information for the second fiscal quarter of 2003, which included
 - (i) quarterly financial statements, a line by line translation of which is attached hereto as Annex C (10);
 - (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the second fiscal quarter of 2003,

For the six-month period ended June 30, 2003, the Company's total sales increased 16.4% to Ps. 2,264.5 from Ps. 1,945.1 in the same period ended in 2002. For the period ended June 30, 2002, the number of homes sold increased 11.6% to 8,811 from 7,897 for the same period ended June 30, 2002.

A description of the figures and information covered by the MD&A for the second fiscal quarter of 2003 is attached as Annex D (10); and

- (iii) a report of the Company's principal accounting policies. The Company's financial statements have been prepared in accordance with generally accepted accounting principles in Mexico. The most important accounting policies and practices followed in the preparation of these financial statements are described below:
 - a) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and those of its subsidiaries. All significant inter-company balances, investments and transactions have been eliminated in the consolidated financial statements.

b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the amounts reported in the financial statements and in the accompanying notes. Actual results could differ from those estimates.

c) Recognition of the Effects of inflation

The Company recognizes the effects of inflation on financial information as required by Mexican accounting Bulletin B-10, "Accounting Recognition of the Effects of Inflation on Financial Information", issued by the Mexican Institute of Public Accountants (MIPA).

d) Cash and cash equivalents

Cash and cash equivalents are represented principally by bank deposits and highly liquid investments with maturities of three months or less at the date acquired, and are stated at cost plus accrued interest. The stated value is not in excess of market value.

e) Reserve for doubtful accounts

The Company computes the allowance for doubtful accounts related to customer balances at 33% on all past-due balances.

f) Inventories

The Company capitalizes interest and other comprehensive costs of financing derived from bank loans used principally for land development, in amounts defined by each project. The capitalization of these costs begins when activities necessary to develop the property commence and continues during the period in which the Company is actively working in the development of the land.

Land held for construction presented as long-term, are those that the Company cannot use within a year.

g) Property, machinery and equipment

Depreciation is computed using the straight-line method based on the estimated useful lives of the related fixed assets.

h) Revenue and cost recognition

Revenues from the Company's activities as a developer are recognized using the percentage-of-completion method in accordance with accounting Bulletin D-7 "Construction contracts", measured as the current percentage of costs incurred compared against the total estimated costs to be incurred in each development or project. Under this method, the estimated gross profit attributable to each development is determined by the percentage of completion of the development, and the resulting amount is added to the amount of actual costs incurred to that date to determine the amount of revenue to be recognized. The Company applies the percentage-of-completion method to costs and revenues based on equivalent units (cost incurred to total cost estimated for a house), when the following conditions have been met:

- We have received commitments from lenders to provide mortgage loan financing for the homes in the development; and
- The homebuyer complies with certain mortgage loan eligibility requirements and there is a commitment to buy (both the eligibility requirements and the commitment to buy depend on the type of financing available to the homebuyer).

Development costs include land, all direct material and labor costs and those indirect costs related to the development of the project, such as indirect labor, equipment, repairs, depreciation expense and the capitalized comprehensive result of financing of land development. General and administrative expenses are charged to results of operations at the time they are incurred. Variations on cost incurred against budgeted cost for each project are made in the period in which such variations are know.

i) Foreign currency

Transactions in foreign currency are recorded at the prevailing exchange rate at the time of the related transactions. Foreign currency denominated assets and liabilities are translated at the prevailing exchange rate at the balance sheet date. Exchange rate differences are applied to income of the year, except for those that are capitalized for development projects.

j) Liabilities denominated in investment units (UDIs)

Liabilities denominated in UDIs are presented in the balance sheet in Mexican Pesos at the UDI value published by the Banco de Mexico as of such date. Differences in the valuation are recognized as interest expense under the comprehensive result of financing.

k) Labor obligations

Effective January 1, 2003, the Company began to recognize seniority premium costs during the years of service of personnel, based on actuarial computations made by independent actuaries, using the projected unit-credit method, as required by Mexican accounting Bulletin D-3, "Labor Obligations", issued by the MIPA. Prior to January 1, 2003, the Company did not recognize these costs due to its immateriality and; therefore, did not restate prior years financial statements.

Under Mexican labor law, employees who die, are disabled or are dismissed in certain circumstances are entitled to a seniority premium equal to twelve days' salary for each year worked (for purposes of computing the seniority premium, such salary is not to exceed twice the legal minimum wage in effect at the time of the employee's separation). Termination payments are charged to statement of income in the year in which the decision to dismiss an employee is made.

l) Income tax, and asset tax and employee profit sharing

The Company recognizes deferred taxes on basically all temporary differences in balance sheet accounts between financial and tax values, using the enacted income tax rate at the balance sheet date.

The Company evaluates periodically the possibility of recovering deferred tax assets and, if necessary, creates or adjusts the related reserve.

Deferred employee profit sharing should be recognized only on temporary differences determined from the reconciliation of current year net income for financial and employee profit sharing reporting purposes, provided there is no indication that the related liability or asset will not be realized in the future.

Current year employee profit sharing is charged to results of operations and represents a liability due and payable in a period of less than one year.

The asset tax is included in deferred income tax, and a valuation allowance is created to the extent that based on available evidence it is more likely than not that some or all of the asset tax will not be realized.

Accumulated effect of deferred taxes presented in the stockholders' equity represents the first application of the Bulletin D-4, related to deferred taxes.

m) Earnings per share

The Company calculates earnings per share in conformity with Mexican Accounting Principles Bulletin B-14, "Earnings per Share", issued by the MIPA.

n) Concentration risk

The Company's financial instruments that are subject to credit risk are cash equivalents and accounts receivable. The Company invests a portion of its surplus cash in deposits with financial institutions. The Company does not consider the credit risk in accounts receivable to be significant, since usually it does not extend unsecured loans and only transfers the property when the customer or financial institution certifies that the

corresponding mortgage loan has been approved and the required down-payment has been made.

o) Comprehensive income

The company's comprehensive income consists of the net income for the year, the result from holding non-monetary assets and the related deferred income taxes applied directly to stockholders' equity.

p) New accepted pronouncements

Intangible Assets

Effective January 1, 2003, the Company adopted the requirements of the new Mexican accounting Bulletin C-8, *Intangible Assets* issued by the MIPA, which, among other things, specifies that project development costs are to be capitalized if they meet certain established requirements with respect to their recognition as assets.

Liabilities, Provisions, Contingent Assets and Liabilities and Commitments

Effective January 1, 2003, the Company also adopted the requirements of the new Mexican accounting Bulletin C-9, Liabilities, Provisions, Contingent Assets and Liabilities and Commitments, and its addendum, both issued by the MIPA, this new Bulletin is more precise in defining provisions, accrued liabilities and contingent liabilities, and contains new requirements with respect to the recording of provisions, the use of the present value and the early extinguishment of debt or their replacement by a new debt.

Accounting for the Impairment or Disposal of Long-Lived Assets

In March 2003, the MIPA issued Bulletin C-15, Accounting for the Impairment or Disposal of Long-Lived Assets, the observance of which is compulsory for fiscal years beginning on or after January 1, 2004. Bulletin C-15 defines the rules for the computation and recognition of asset impairment losses and their reversal, as well as for the presentation and disclosure of both, assets whose values have been impaired and of discontinued operations.

Financial instruments with characteristics of both liabilities and equity

In April 2003, the Mexican Institute of Public Accountants issued Bulletin C-12, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, the objective of which is to specify the differences between liabilities and equity. Bulletin C-12 also establishes the rules for classifying and valuing the initial recognition of the components of liabilities and equity of combined instruments, as well as the rules for disclosing such financial instruments.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

(11) Filing of the restated bylaws of the Company. The restated bylaws were filed with the CNBV and BMV and was made available to the public through the BMV webstite. For a summary of the most relevant provisions of the Company's by-laws see Annex F attached hereto.

- (12) Report on the investors' distribution achieved in the Ps500 certificados bursátiles (debentures) public offering. This report was filed with the CNBV and the BMV and was made available to the public through the BMV website.
- (13) Report of financial information for the third fiscal quarter of 2003, which included:
 - (i) quarterly financial statements, a line by line translation of which is attached hereto as Annex C (13);
 - (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the third fiscal quarter of 2003.

For the nine-month period ended September 30, 2003, the Company's total sales increased 16.6% to Ps. 3,659.2 from Ps. 3,137.5 in the same period ended in 2002. For the period ended September 30, 2003, the number of homes sold increased 7.0% to 13,889 from 12,976 for the same period ended September 30, 2003.

A description of the figures and information covered by the MD&A for the third fiscal quarter of 2003 is attached as Annex D (13);

- (iii) notes to the financial information, a translation of the notes applicable to this period are attached as Annex E;
- (iv) description of capital stock. For a description of capital stock and a summary of certain provisions of the Company's by-laws see Annex F attached hereto;
- (v) other accounting and financial information, including:
 - financial ratios;
 - list of investments in stock;
 - · description of property, plant and equipment;
 - break-down of credits;
 - report on foreign currency position and results; and
 - report on projects.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

Summary of the resolutions adopted by the debenture holders' meetings held on February 10, 2002, in which a waiver was granted to the Company so that it could carry out a 19.95% reduction of its capital stock, without having to do a pro rata redemption of the debentures, subject to the condition that the current ratings for the debentures were kept the same.

This information was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

(15) Report of financial information for the fourth fiscal quarter of 2003, which included:

- (i) quarterly financial statements, a line by line translation of which is attached hereto as Annex C (15);
- (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the fourth fiscal quarter of 2003.

For the period ended December 31, 2003, the Company's total sales increased 22.5% to Ps. 5,232.9 from Ps. 4,272.5 in the same period ended in 2002. For the period ended December 31, 2003, the number of homes sold increased 13.3% to 20,071 from 17,711 for the same period ended December 31, 2002.

A description of the figures and information covered by the MD&A for the fourth fiscal quarter of 2003 is attached as Annex D (15);

- (iii) notes to the financial information, a translation of the notes applicable to this period are attached as Annex E;
- (iv) description of capital stock. For a description of capital stock and a summary of certain provisions of the Company's by-laws see Annex F attached hereto;
- (v) other accounting and financial information, including:
 - financial ratios;
 - list of investments in stock;
 - description of property, plant and equipment;
 - break-down of credits;
 - report on foreign currency position and results; and
 - report on projects.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

- (16) Summary of the resolutions adopted by the Annual General Ordinary Shareholders Meeting held on April 30, 2004, which, among other things:
 - (i) approved a stock-split;
 - (ii) approved the Board of Directors' report regarding the activities of the Company in 2003;
 - (iii) ratified all actions taken by the Board of Directors and transactions executed by the Company in 2003;
 - (iv) approved the application of 5% of the net earnings of the Company to increasing the statutory reserve; and
 - (v) appointed directors and statutory auditors of the Company.

This information was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

- (17) Report of audited financial information for the fiscal year 2003, which included:
 - (i) 2003 year-end financial statements, a line by line translation of which is attached hereto as Annex C (17);
 - (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the fiscal year of 2003.

For the period ended December 31, 2003, the Company's total sales increased 22.5% to Ps. 5,232.9 from Ps. 4,272.5 in the same period ended in 2002. For the period ended December 31, 2003, the number of homes sold increased 13.3% to 20,071 from 17,711 for the same period ended December 31, 2002.

A description of the figures and information covered by the MD&A for the fiscal year 2003 is attached as Annex D (17);

- (vi) notes to the financial information, a translation of the notes applicable to this period are attached as Annex E;
- (vii) description of capital stock. For a description of capital stock and a summary of certain provisions of the Company's by-laws see Annex F attached hereto;
- (viii) other accounting and financial information, including:
 - financial ratios;
 - list of investments in stock;
 - description of property, plant and equipment;
 - break-down of credits:
 - report on foreign currency position and results; and
 - report on projects.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

(18) Application to CNBV and the BMV for authorization for (i) registration of the Company's shares in the National Registry of Securities of the CNBV; (ii) listing of the shares on the BMV, and (iii) the combined offering of the shares in Mexico, through the BMV, and the US and other countries.

The application included a draft of the preliminary prospectus, as well as other required corporate and financial documentation of the Company, including:

- (i) documents evidencing the authority of the representative of the Company and the selling shareholders who signed the application;
- (ii) certified copies of the Company's incorporation deed and restated by-laws;

- (iii) audited financial statements for the fiscal years of 2003 and 2002, a translation of which is attached as Annex C (17); and
- (iv) legal opinion as to the validity of the securities.
- (19) Filing of corporate documents and financial information for the fiscal year of 2003, which included:
 - (i) the Annual Shareholders' Meeting minutes;
 - (ii) the report of the Board of Directors on the progress of the Company during the fiscal year;
 - (iii) the statutory auditor's report;
 - (iv) the audited financial statements, a translation of which is attached as Annex C (17);
 - (v) a list of the directors, statutory auditors and principal officers of the Company, and
 - (vi) a certificate from the Deputy Secretary of the Company regarding the status of the corporate books of the Company.

These documents were filed with the CNBV and the BMV.

- (20) Report of financial information for the first fiscal quarter of 2004, which included:
 - (i) quarterly financial statements, a line by line translation of which is attached hereto as Annex C (20);
 - (ii) management's discussion and analysis of the financial condition of the Company and the results of its operations for the first fiscal quarter of 2004.

For the three-month period ended March 31, 2004, the Company's total sales increased 17.8% to Ps. 1,136.3 from Ps. 964.8 in the same period ended in 2003. For the period ended March 31, 2004, the number of homes sold increased 17.0% to 4,273 from 3,653 for the same period ended March 31, 2003.

A description of the figures and information covered by the MD&A for the first fiscal quarter of 2004 is attached as Annex D (20);

- (ix) notes to the financial information, a translation of the notes applicable to this period are attached as Annex G;
- (x) description of capital stock. For a description of capital stock and a summary of certain provisions of the Company's by-laws see Annex F attached hereto;
- (xi) other accounting and financial information, including:
 - financial ratios;
 - list of investments in stock;

- description of property, plant and equipment;
- break-down of credits;
- report on foreign currency position and results; and
- report on projects.

This report was filed with the CNBV and the BMV on the applicable electronic formats, and was made available to the public through the BMV website.

offered 55,954,605 shares or 11,190,921 ADSs and some of its shareholders offered 8,946,346 shares, from which the Company expects to receive net proceeds of \$148.6 million. The Company expects to use the proceeds of the offering to repay debt, for land acquisitions, for working capital relating to construction of housing developments and for general corporate purposes. The shares were registered in Mexico in the Securities Section and in the Special Securities Section of the National Registry of Securities maintained by the Mexican National Banking and Securities Commission and listed in the Mexican Stock Exchange under the symbol "URBI*". The shares were offered and sold in the Mexican Market through the Mexican Stock Exchange, in the United States pursuant to Rule 144A under the Securities Act and outside the United States in accordance with Regulation S under the Securities Act. The offering prospectus contains information customary for this type of transactions, including corporate, operative and financial information of the Company, as well as risk factors and MD&A sections. A summary of the content of this document is attached as Annex H.

This document was filed with the CNBV and the BMV, and was made available to the public through the BMV website.

(A)

"Urbi, Desarrollos Urbanos, S.A. de C.V.

General Meetings of Holders of Debentures Issued by Urbi.

- Yesterday the holders of debentures issued by Urbi, with trading codes Urbi 02 and Urbi 2003, held two general meetings.
- In such meetings the granting of a waiver to the issuer was approved so that the issuer could carry out a 19.95% capital stock reduction, without having to do a pro rata redemption of the Debentures, subject to, the condition, suggested by the Company, that the current ratings for the Debentures, were kept the same.
- In the event that there is a downgrade in such ratings, the issuer shall redeem the Debentures in 19.95%. Such redemption shall be made on the interest payment date following the date in which such downgrade is known. Urbi must advise the common representative of the results of the rating agencies review.
- In that connection, Selene Avalos, CFO of the issuer, stated: "The background of the capital stock reduction goes back to the year 2000, in which the Company set up a new business plan for the following 20 years, as a result of which Messrs. Javier García de León and Raymundo García de León, expressed their decision to leave the Company, first as executives, and later as shareholders, in order to carry out other personal activities. Negotiations with them have been made in the context of simplicity, trust and transparency, taking care not to affect the financial condition of the Company as well as the requirements of the departing shareholders. A proposal has been achieved, which does not affect the financial strength of the Company, neither the financial covenants set forth with respect to the Debentures."
- In addition, Ernesto Garay Cuarenta, General Counsel of the issuer mentioned: "In this process we have been very careful not to affect the company's operations. From an operative stand-point the departing shareholders have not been involved as executives of the Company for the last three years; furthermore, since 2001, the organizational structure of Urbi has been restructured in line with the Urbi Business Model, and the Company is being institutionalized under a broad team of very capable group of people. On the other hand, internally this transaction and the way it was implemented strengthens the Company and its shareholders, as evidenced by the good response."

(B)

"The issuer announces that a new version of the preliminary prospectus for the offering of shares of stock of Urbi, Desarrollos Urbanos, S.A. de C.V. is available, which includes an estimated offering price range."

ANNEX C (1)

RECEIVED

2004 JUN 24 A 9:45

OFFICE OF INTERNATIONAL CORPORATE FINANCE

Consolidated Balance Sheets

	4th 0.2002	
1 Total assets	3,508,786v	
2 Total current assets	5,346,432	
3 Cash and cash equivalents	400,905	
4ñ Cash	The state of the s	
47 Certificates of Deposition Accounts receivables 12 13.		
4 trade	1,180,373	WATER CONTROL OF THE PARTY OF T
5 Other account receivables	119.672 3,525.748	
6 Inventories	175,784 =	
7 Other current assets 8 Long Term assets	249352	ricein, isale de
Longiterms accumis	789 569	
9 receivables-trade Investments in non	The state of the s	
10 a tha Flates companes	68,702	
11 Otherlang term assets Property machinery and	ALUM TERRET TO THE TERRET TO T	
12 equipment, net	1,2508) 53,204	
12 Real states	in Carlo Hanne Establish Seathar in	
Machinery and Industrial in 14 equipment	184,671	
15 Other equipments	71,294 184,088	
16 Depreciation 17 Process construction		
48 Offerred sessit		7 20 5 2 2 1 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2
48 Acrues expenses		
49 Goodwill 50 Deferred income tax	are the same and the same are t	
51 Others		
19 Other assets	TOTAL THE SECOND	Africanian de la companya del companya de la companya de la companya del companya de la companya
20 Total liabilities	2014;281	Period Picture
21 Gurrent Habilities	1,578,587	
Liabilities in foreing	The second of th	
52 exchange		
53 Liablities in mexican peso	9 6 866,999	
22 Suppliers 23 Bank loans	493,318	
24 Bonds		Andrew Charles
54 Commercial paper		
55 Mid term bonds' 56 Bonds current portion		
25 Pavable 18X	112,175 106,095	
26 Other current liabilities Other current liabilities w		A PROPERTY AND A STATE OF THE S
-57 cost		AND THE PARTY OF T
Other current repinios	106,095	
58 without cost	AND THE PROPERTY OF THE PROPER	

RECEIVED

OFFICE OF WATERWATER WATER WATER

59 foreing exchange Long-term liabilities in		
60 mexican pesos	207,705	
28 Loan banks 29 Bonds	300,000	
61 Other liabilities 62 Mid term bonds		
30 Other credits 63 Other credits with cost	.227,989	Park Strain 1897
64 Other credits without cost	227,989	A RECORD OF THE PROPERTY OF TH
31 Diferred credits 65 Goodwill		
66 Deferred income tax	1,322,329	
67 Others 32 Other Nabilities	The latest the second s	Andrew Street
68 Other provisions 69 Other Habilities	A THE PARTY OF THE	
The Allendar	1,959 174	
33 Stockholders equity		
34 Minority Interest Majority stockholders		
35 equity	1,959,174 186,561	
36 Common stock 37 Common stock paid	720 142,035	Section 1
38 Common stock updated. 39 Additional paid in capital	48,806	District Control of the Control of t
40 Stockholder squity sain		
41 (loss)	1,7 72,613	Mariante de la companie de la compan
42 Retained earnings 43		
Deficit from restatement of 44 stockholders equity	(159,474)	
70		
Deficitirom restatement of 71 stockholders'equity:	(159,474)	
45 Net income 1451	398 877	
72 Working capital		
73		
74 Numers of executives *		The state of the s
76 Numbers of workers Número de Acciones en	THE Sure. Little Sure. Littl	
77 Circulación* 17 contra de la contra del contra de la contra del la contra del la contra del la contra de la contra del la contra de la contra del la c	The state of the s	
78		
(*) information in units		

1 Sales	4,111,859
- 三、	Cararantia (42) - Appell (11 Culgist 10 Seasa) - Arquellu - 15-4, all 15-49, all 15-49.
21 National	
22. Foreign Convertions into U.S.	
23 Dollars***	
2 Cost of sales	2,772,691
2 Gross profit	1,339 168
General and administrative	
4 expenses	440,171 898,997
5 Operating Result	
Comprehensive result of	(133,148)
6 financing	(204,874)
24 Interes expenses	(15,256)
25 Foreign exchange loss	15 091
26 Interest income	
27 Foreign exchange gain	71,891
28 Monetary gain	
42 UDIS updated loses	
43 UDIS updated gains Result atter	
comprehensive result of	
7 financing	765,849
8 Other financial operation	7,612
Other income (expenses)	
29 ne	7,612
30	
31	
Result before income tax	773,461
9 and asset tax	
Taxes provision and	374,584
10 employee profit sharing	3,092
32 ISR	371,492
33 Deferred LSIR. 34 P.T.U.	
35 Deferred P.T.U.	· · · · · · · · · · · · · · · · · · ·
Net result after income	
11 tax and asset tax	398,877
Results of non subsidiaries	
12 companies	
Net result for continuing	398;877
13 operations	
Results for discontinuing	
14 operations Net result before	
15 extraordinary parties	398-877
Extraordinary parties	
16 expenses (income) net	
17	
18 net income	398,877
19 Minority interest	398,877
20 Mayoritary net result	
	4, 111, 858
36 Total sales	The state of the s
37	4.111,859
38 Net sales**	898 997
39 Results of operations	398,877
40 Mayoritary net results**	398,877
41 Net result**	en e

Consolidated Balance Sheels

	th 02002	
1 Total assets	5.08.772	
2 Total current assets	4.812.654	
	401,146	
3 Cash and cash equivalents		
47 Certificates of Disposit Accounts receivables -		
4 trade	1,1,30,577/ _{hr.10}	
5 Other account receivables	110,602 2,995,359	kit Tali
6 Inventories 7 Other current assets	174,968	
8 Long Term essets	230;618	
Long terms accounts	55:560	rie Lite
9 receivables-träde investments in tion		disc.
10 subsidiaries companies		
11 Other long term assets Property, machinery and	The second secon	
12 equipment, not	170,649	
13 Real states Machinery and industrial		
14 equipment	184,791	Đ.
15 Other equipments	116,568 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	#12500 #4
16 Depreciation 17 Process construction		
18 Diferred assets		
48 Acrued expenses. 49 Goodwill		
50 Deferred income tax		
51 Others 19 Other assets	4900	
	3,133,632	
20 Total Habilities		
21 Current liabilities Liabilities Liabilities in foreing	1,288,872	
52 exchange		
	The second secon	asi'
53 Liabilities in mexican pesos 22 Suppliers	590,475 489,786	
23 Bank loans	489,788	
24 Bonds 54 Commercial paper 55 55 55 55 55 55 55 55 55 55 55 55 55		
55 Mid term bonds		inaci () Suga dalaba
56 Bonds current portion	107,122	
25 Payable Tax 26 Other current liabilities		
Other current liabilities with	The state of the s	
57 cost		
Other current liabilities 58 without cost	101,489	

59 foreing exchange Long-term liabilities in		
60 mexican pesos 28 Loan banks 29 Bonds	241/287 360,000	
61 Other liabilities 62 Mid term bonds 30 Other credits 63 Other credits with cost	193,843	
64 Other credits without cost 31 Diferred credits 65 Goodwill 66 Deferred income tax	1,139,680 1,139,	
67 Others 32 Other liabilities 68 Other provisions 69 Other liabilities		
33 Stockholders equity	0.54 (4.05) A (4.05)	
34 Minority interest Majority stocknisiders 35 equity 36 Common stock 37 Common stock paid 38 Common stock updated 39 Additional paid in capital	1.909.640 186.561 7/20 7/142.035	
40 Stockholder equity gain 41 (loss) 42 Retained earnings	1,723,079 1,535,210	
Deficit from restatement of 44 stockholders equity	(273,303)	
70 Deficit from restatement of	(273,303)	
45 Net income	13483 172 100 100 100 100 100 100 100 100 100 10	
72 Working capital	Service Services	
73 74 Numers of executives** 75 Numbers of employees* 76 Numbers of warkers* Numero de Acciones en 77 Circulación* 78		
(*) information in units		941 941 2545 5

22 Foreign Convertions into U.S. 23 Dollars*** 2 Cost of sales 3 Gross profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing 24 interes expenses 5 (20,839) 5 Foreign exchange loss 6 interest income 7 Foreign exchange gain 8 (15,259) 8 Monetary gain 8 UDIS updated Joses 4 UDIS updated Joses 9 UDIS updated Joses 9 UDIS updated Joses 9 Other financing 9 Cher financing 17,576 9 Deferred I.S.R 9 and asset tax 18,890 18,890 18,890 18,990 18,990 19,190 1		4,108,970	_
22 Foreign Convertions into U.S. 23 Delias*** 2 Cost of sales 2 Cost of sales 3 Gross profit General and administrative 4 expenses 4 43,016 5 Operating Result 5 Operating Result 6 financing (132,154) 6 financing (142,154) 6 financing (15,259) 25 Foreign exchange loss 6 interest Income (15,259) 26 interest Income (15,259) 27 Foreign exchange gain (15,259) 28 Monetary gain (15,259) 29 Included gains Result for 7 financing 7 Comprehensive result of 7 financing 8 Cotten financial operation Other income (expenses) 7 Comprehensive result of 9 and asset tax 7 Comprehensive result of 1 tax and asset tax 7 Companies 1 tax and asset tax Results for continuing 13 operations Net result after income 11 tax and asset tax Results for continuing 13 operations Net result before 15 extraordinary parties 16 expenses (income) net 17 Ten expenses (income) net 18 fortile continuing 19 Companies 10 expenses (income) net 19 Minority interest 10 Mayoritary net result 10 Fotal sales 10 (3,652) 17 Control operations 10 (3,652) 18 Net sales** 19 Results of operations** 19 Results of operat	1 Sales	4 108 970	
Convertions into U.S. 23 Dollars*** 2 Cost of sales 2,772,686 3 Gross profit 6. 1,336,284 General and administrative 4 expenses 443,016 5 Operating Result 883,288 Comprehensive result of 6 financing (132,154). 6 financing (200,839) 25 Foreign exchange loss 15,152 27 Foreign exchange gain 68,792 28 Monetany gain 68,792 29 Interest Income 15,259 29 Monetany gain 761,114 2 UDIS updated of gains Result after comprehensive result of 7 financing 761,114 30 Other financial operation Other income (expenses) 7,576 31 Other financial operation Other income 8,5172 31 Centered I.S.R. 264,486 32 Other financial operation Other income 8,5172 32 Extraordinary parties 463,172 33 Other seult before 16 34 Other financial operation Other income 17 35 Total sales 4,108,969 36 Other financial operations 18,5172 36 Net sales** 37 Other seult of operations** 38 Net sales** 39 Results of operations** 39 Results of operations** 39 Results of operations** 39 Results of operations** 30 Other financial operations 18,5172 30 Other financial operations** 31 Other financial operations 18,5172 31 Other financial operations** 31 Other financial operations 18,5172 31 Other financial operations** 31 Other financial operations 19,516 31 Other financial operations 19,516 32 Other financial operations 19,516 33 Other financial operations 19,516 34 Other financial operations 19,516 35 Other financial operations 19,516 36 Other financial operations 19,516 37 Other financial operations 19,516 38 Other financial operations 19,516 3			
22 Cost of sales 2 Cost of sales 3 Gross profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing 24 interes expenses 25 Foreign exchange gain 25 Foreign exchange gain 26 Monetary gain 27 Foreign exchange gain 28 Monetary gain 29 UDIS updated Joses 20 UDIS updated Joses 20 UDIS updated Joses 29 net 20 UDIS updated Joses 29 net 20 UDIS updated Joses 30 UDIS updated Joses 30 UDIS updated Joses 31 UDIS updated Joses 32 UDIS updated Joses 33 Exeult after comprehensive result of 7,576 Other financial operation Other income (expenses) 29 net 7,576 30 31 Result before Income tax 9 and asset tax Taxes provision and 10 employee profit sharing 32 LS.R. 32 Deferred J.S.R. 33 Deferred J.S.R. 34 P.T.U 35 Deferred P.T.U Not result after Income 11 tax and asset tax Results of non subsidiaries 12 companies Net result of Josephine Net result after Income 11 tax and asset tax Results of ron subsidiaries 12 companies Net result fore 14 perations Results for discontinuing 13 operations Results for discontinuing 14 operations Results for discontinuing 15 perations Results for discontinuing 16 perations Results for discontinuing 17 net income 18 Minority interest 19 Minority interest 20 Mayoritary net result 463.172 463.172 39 Results of operations 39 Results of operations 463.172 40 Mayoritary net result 463.172 463.172 463.172 463.172 463.172	22 Foreign		
2 Cost of sales 3 Grose profit General and administrative 4 expenses 5 Operating Result Comprehensive result of 6 financing (132,154) 24 Interes expenses 5 Foreign exchange loss 5 Foreign exchange gain (15,259) 27 Foreign exchange gain (15,259) 28 Monetary gain 66,792 20 UDIS updated loses 43 UDIS updated loses 43 UDIS updated loses 43 UDIS updated pains Result after comprehensive result of 7 financing 7 financing 7 financing 8 Other financial operation Other income (expenses) 9 net 7,576 30 31 Result before income tax 1 aves provision and 10 employee profit, sharing 41,032 2 ISR 2 ISR 3 Deferred J. S. 3 Deferred P. T. U. Net result after income 1 tax and asset tax Results for discontinuing 1 operations Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties 17 18 net income 19 Minority interest 20 Mayortary net result 30 Septime of porting of the sharing 44,03,172 453,172 18 net income 463,172 19 Minority interest 20 Mayortary net result 463,172 39 Results of operations 30 Results of operations 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	Convertions into c.s.		
2 Gost Dissies 3 Gross profit General and administrative 4 expenses 5 Operating Result 5 Operating Result Comprehensive result of 6 financing 24 interes expenses 5 Foreign exchange loss 25 Foreign exchange galn 26 Monetary galn 27 Foreign-exchange galn 28 Monetary galn 29 UIIS updated loses 43 UDIS updated loses 43 UDIS updated glins Result after comprehensive result of 7 financing 7 financing 8 Other financial operation Other income (expenses) 29 net 7,576 30 31 Result before Income tax 9 and asset tax Taxes provision and 10 employee profit sharing 21 IS.R. 254,486 34 P.T.U Net result after income 11 tax and asset tax Results of non subsicilaries 12 companies Net result fore Net result fore 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses income) ret 17 18 net income 19 Minority interest 20 Mayoritary net result 35 Total sales 37 38 Net sales** 40 Mayoritary net result 463,172 39 Results of operations 10 Mayoritary net result 463,172 19 Minority interest 20 Mayoritary net result 463,172 39 Results of operations* 463,172	23 Dollars	2 772 686	
General and administrative General and ad		- 大大学 1915年 - 東京大学学院の大学学院の大学学院の大学学院の大学学院の大学学院の大学学院の大学学院	
4 expenses 5 Operating Result Comprehensive result of 6 financing 24 Interes expenses (200,839) 25 Foreign exchange loss 26 Interest income (152,154) 27 Foreign exchange loss 28 Monetary gain 28 Monetary gain 29 UDIS updated loses 31 UDIS updated gains Result after comprehensive result of 7 financing 7 financing 7 financing 7 foreign exchange gain Result before income tax 9 and asset tax Taxes provision and 10 employee profit, sharing 32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. Net result after income 11 tax and asset tax Result sof non subsidiaries Net result of or continuing 13 operations Net result for continuing 14 operations Net result for continuing 15 expenses (income) net 17 18 net income 19 Minority interest 19 Minority interest 20 Mayoritary net result 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total Sales 37 38 Net sales** 4, 108, 969 37 38 Results of operations* 19 Minority interest 20 Mayoritary net result 39 Results of operations* 19 Minority interest 20 Mayoritary net result 36 Total Sales 37 38 Net sales** 4, 108, 969 37 39 Results of operations* 463, 172 463,	3 Gross profit		
4 expenses Comprehensive result of 6 financing (132,154) 24 Interes expenses (200,839) 25 Foreign exchange loss 25 Foreign exchange loss 26 Interest income (15,152) 28 Monetary gain (86,792) 29 Monetary gain (96,792) 30 UDIS updated loses 30 UDIS updated gains Result after comprehensive result of 7 financing (7,576 Other income (expenses) 29 net 7,576 30 37 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 31 S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 39 Results of operations 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	General and administrative	442.016	
5 Operating season Comprehensive result of 6 financing (200,839) 24 interes expenses (200,839) 25 Foreign exchange loss 15,152 26 Interest income (15,259) 27 Foreign exchange gain (15,259) 28 Monetary gain (15,259) 29 Monetary gain (88,792) 30 UDIS updated loses 43 UDIS updated loses 43 UDIS updated loses 43 UDIS updated loses 44 UDIS updated loses 45 UDIS updated loses 46 UDIS updated loses 47 Financing (75,76) 48 Other financial operation (7,576) Other income (expenses) 30 and asset tax (758,890) Taxes provision and (10 employee profit sharing (10,32) 31 Result before income tax (10,32) 32 IS.R. (10,32) 33 Deferred I.S.R. (10,32) 34 P.T.U. (10,32) 35 Deferred P.T.U. (10,32) 36 Deferred P.T.U. (10,32) 37 Results of non subsidiaries 12 companies (15,44,46) 13 operations (15,44,46) 14 operations (15,44,46) 15 extraordinary parties (15,44,46) 16 expenses (income) (17,44,47) 17 net income (18,43,172) 18 net income (19,46,46) 19 Minority interest (18,43,172) 38 Net sales** (10,6,963) 37 (10,6,963) 37 (10,6,963) 38 Net sales** (10,6,963) 39 Results of operations* (10,6,963) 30 Results of operations* (10,6,963) 30 Results of operations* (10,6,963) 30 Results of operations* (10,6,963) 31 Results of operations* (10,6,963) 32 Results of operations* (10,6,963) 31 Results of operations* (10,6,963) 32 Results of operations* (10,6,963) 33 Results of operations* (10,6,963) 34 Results of operations* (10,6,963) 35 Results of operations* (10,6,963	4 expenses	在多年的企业的100000000000000000000000000000000000	
Comprehensive result of 6 financing (132,154) 24 Initeres expenses (200,839) 25 Foreign exchange loss 26 Interest income (15,152) 27 Foreign exchange gain (55,259) 28 Monetary gain (56,792) 29 Monetary gain (86,792) 30 UDIS updated gains Result after comprehensive result of 7 financing (761,114) 8 Other financial operation (15,756) 30 Other income (expenses) (15,756) 31 Result before income tax (75,766) 30 masset tax (75,690) 31 Result before income tax (75,690) 32 IS.R. (75,768) 33 Deferred IS.R. (75,768) 34 P.T.U. (75,768) 35 Deferred P.T.U. (75,768) 36 Deferred P.T.U. (75,768) 37 Results of non subsidiaries (15,756) 38 Posterred P.T.U. (75,768) 39 Operations (75,768) 30 Posterred P.T.U. (75,768) 31 Deferred P.T.U. (75,768) 32 Deferred P.T.U. (75,768) 33 Deferred P.T.U. (75,768) 34 P.T.U. (75,768) 35 Deferred P.T.U. (75,768) 36 Deferred P.T.U. (75,768) 37 Results for discontinuing (75,778) 38 Post sales (75,778) 39 Net sales (75,778) 39 Net sales (75,778) 39 Net sales (75,778) 39 Net sales (75,778) 39 Results of operations (75,778) 39 Results	5 Operating Result		
6 financing (200,839) 24 Interes expenses (200,839) 25 Foreign exchange loss (15,152) 26 Interest income (15,259) 27 Foreign exchange gain (8,792) 28 Monetary gain (8,792) 29 Monetary gain (8,792) 30 UDIS updated olses (1,114) 31 UDIS updated olses (1,114) 40 Uther financing (1,114) 50 Uther financial operation (1,576) 30 Uther income (expenses) 31 Result before income tax (1,576) 32 Income (expenses) 33 Official operation (1,576) 34 P.T.U. (1,576) 35 Deferred I.S.R. (1,532) 36 Deferred I.S.R. (1,532) 37 Results of non subsidiaries (1,576) 38 Net result for continuing (1,576) 39 Operations (1,576) 30 Perations (1,576) 31 Operations (1,576) 32 Income (1,576) 33 Operations (1,576) 34 P.T.U. (1,576) 35 Deferred P.T.U. (1,576) 36 Perations (1,576) 37 Approximation (1,576) 38 Net result for continuing (1,576) 39 Income (1,576) 39 Results of one subsidiaries (1,576) 39 Income (1,576) 39 Results of one subsidiaries (1,576) 39 Results of operations (1,576) 30 Results of operations (1,576) 31 Results of operations (1,576) 31 Results of operations (1,57	Comprehensive result of	//30 (AE A)	
Interes expenses 25 Foreign exchange loss 15,152		2011年	
25 Foreign exchange loss 15,152	24 Interes expenses		
26 Interest income 27 Foreign exchange galh 28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 7,576 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 41,032 21 IS.R 32 Deferred IS.R 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 30 Results of operations 463,172 36 Total sales 37 38 Net sales 4,108,969 37 38 Results of operations 463,172 463,172 36 Rotal sales 4,108,969 37 38 Net sales 39 Results of operations 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	25 Foreign exchange loss		
27 Foreign exchange gain 28 Monetary gain 29 UDIS updated loses 40 UDIS updated loses 40 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other-income (expenses) 29 net 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 41,032 32 IS.R. 30 Deferred IS.R. 31 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result sincome 15 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales* 40 Mayoritary net results* 463,172 463,172 39 Results of operations 443,172 463,172 39 Results of operations 443,172 463,172 39 Results of operations 463,172 463,172 463,172	26 Interest income	A STATE OF THE STA	
28 Monetary gain 42 UDIS updated loses 43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 7,576 29 net 7,576 30 31 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 21 IS.R 33 Deferred IS.R. 34 P.T.U Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 30 Results of operations 463,172 36 Total sales 37 38 Net sales* 4, 108,969 37 39 Results of operations* 493,268 493,472 49,472 49,477 40,870 40,870 40,870 40,870 40,870 40,877 40,870 40,877 40	27 Foreign exchange gain	SERVICE CONTROL OF THE	
42 UDIS updated gains Result after comprehensive result of 7 financing 7,576 8 Other financial operation Other income (expenses) 7,576 30 7 Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 41,032 21 IS.R. 23 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 17 18 net income 19 Minority interest 20 Mayoritary net result 30 Results of operations 463,172 463,172 36 Total sales 37 38 Net sales* 39 Results of operations 463,172 463,172 36 Results of operations 463,172 36 Total sales 37 38 Net sales* 39 Results of operations 463,172 463,172 463,172 463,172 463,172	28 Monetary gain		
43 UDIS updated gains Result after comprehensive result of 7 financing 8 Other financial operation Other income (expenses) 29 net 7,576 30 37 Result before Income tax 9 and asset tax Taxes provision and 10 employee profit sharing 30 IS.R 33 Deferred IS.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results of discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results: of operations** 463,172 468,970 893,268 893,268 893,268 893,268 893,268 893,268 893,268 893,268 893,268 893,268	42 LIDIS updated loses		
Result after comprehensive result of 7 financing 751,114 7 financing 7,576 Other financial operation 7,576 Other income (expenses) 7,576 29 net 7,576 Result before income tax 768,690 Taxes provision and 10 iemployee profit sharing 41,032 31 S.R 31,032 32 I.S.R 41,032 33 Deferred I.S.R 264,486 34 P.T.U 35 Deferred P.T.U Net result after income 453,172 Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 17 18 net income 463,172 19 Minority interest 20 Mayoritary net result 463,172 36 Total sales 4,108,969 37 38 Net sales* 4,108,969 39 Results of operations* 463,170	42 UDIS updated gains		
comprehensive result of 7 financing 761,114 8 Other financial operation 7,576 Other income (expenses) 29 net 7,576 30 31 Result before Income tax 768,690 32 ISR 30,5518 33 Deferred ISR 41,032 35 Deferred P.T.U. Net result after income 11 tax and asset tax 863,172 Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 463,172 19 Minority interest 463,172 30 Total sales 4,108,969 37 38 Net sales* 3,170 39 Results of operations* 493,268 39,268 39,268 39,268 39,268 39,268 49,172 49,172	Rocult after		
7 financing 8 Other financial operation Other income (expenses) 7,576 29 net 7,576 Result before Income tax 9 and asset tax Taxes provision and 10 employee profit sharing 21 IS.R. 33 Deferred I.S.R. 34 P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Results for discontinuing 15 extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 36 Net sales* 37 38 Net sales* 39,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268 393,268	comprehensive result of		
8 Other financial operation Other income (expenses) 29 net 30 31 Result before Income tax 9 and asset tax Taxes provision and 10 employee profit sharing 30 15:R. 31 Deferred I.S.R. 32 P.T.U. 35 Deferred P.T.U. Net result after Income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 4,108,969 3,3652) 4,108,970 39 Results of operations** 463,172 463,172 39 Results of operations** 49 Mayoritary net results** 463,172 463,172 463,172 463,172 463,172 463,172		761,114	
Other income (expenses) 29 net 7,576 29 net 7,576 30 31 Result before Income tax 9 and asset tax Taxes provision and 10 employee profit sharing 21 iS.R. 32 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after Income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 4, 108,969 3,3652) 4,108,970 39 Results of operations* 463,172 463,172 463,172 39 Results of operations* 4,108,969 30,3652) 4,108,970 39 Results of operations* 463,172 463,172 463,172 463,172	o Other Engineers of the Parties	7,576	
29 net 30 31 Result before Income tax 9 and asset tax 763,690 Taxes provision and 10 employee profit sharing 21:S.R. 32 Deferred I.S.R. 33 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 compalies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 463,172 483,268 49,372 40 Mayoritary net results** 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	8 Other inancial openses)		
Result before income tax 9 and asset tax Taxes provision and 10 employee profit sharing 305,518 41,032 1S.R. 30 Deferred I.S.R. 31 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 463,172 463,172 36 Total sales 37 38 Net sales** 39 Results of operations** 463,172 463,172 39 Results of operations** 463,172 463,172 463,172 39 Results of operations** 463,172 463,172 463,172 463,172 463,172 463,172 463,172		7,576	
Result before Income tax 9 and asset tax 768,690 Taxes provision and 10 employee profit sharing 305,518 41,032 21S.R. 32 Deferred I.S.R. 33 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations* 463,172 463,172 36 Total sales 37 38 Net sales** 39 Results of operations* 463,172 463,172 39 Results of operations* 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	The second of th		
9 and asset tax Taxes provision and 10 employee profit sharing 305,518 41,032 1S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations* 40 Mayoritary net results** 463,172 463,172 463,172 36 Total sales 4,108,969 (3,652) 37 38 Net sales** 39 Results of operations* 40 Mayoritary net results** 463,172	TO A STATE OF THE		
Taxes provision and 10 employee profit sharing 305,518 11 employee profit sharing 31,5,R 32, Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations* 463,172 483,172 39 Results of operations* 493,268 493,268 493,268 493,268 493,268 493,268			
Taxes provision and 10 employee profit sharing 32 I.S.R 32 I.S.R 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayorttary net result 36 Total sales 37 38 Net sales** 39 Results of operations* 463,172 893,268 40 Mayortary net results** 463,172 893,268 463,172 893,268 463,172 893,268 463,172 893,268 463,172		768,690	
10 employee profit sharing 32 I.S.R 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales* 39 Results of operations* 463,172 483,172 36 Mayoritary net result 37 39 Results of operations* 40 Mayoritary net results* 463,172 463,172 463,172 463,172 463,172 463,172 463,172	9 and asset tax		
32 I.S.R. 33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after Income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 463,172 36 Total sales 37 38 Net sales** 39 Results of operations** 463,172 463,172 463,172 463,172 463,172 36 Mayoritary net result 37 38 Net sales** 39 Results of operations** 463,172	Taxes provision and	305,518	
33 Deferred I.S.R. 34 P.T.U. 35 Deferred P.T.U. Net result after Income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales* 39 Results of operations* 40 Mayoritary net results** 463,172 4893,268 493,172 493,268		41,032	
34 P.T.U. 35 Deferred P.T.U. Net result after Income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales* 39 Results of operations* 463,172 483,172 483,172 483,172 483,172 38 Net sales* 39 Results of operations* 40 Mayoritary net results* 463,172	32 IS.K.	264,486	
Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172 463,172 463,172 463,172 463,172 463,172 463,172			
Net result after income 11 tax and asset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172 463,172 483,172 483,172 483,172 483,172 483,172 483,172 483,172	34 P. IIO		
11 tax and esset tax Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 463,172 463,172 493,172 493,172 493,172	35 Deletied F. I. C.		
Results of non subsidiaries 12 companies Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172 463,172 463,172 463,172 463,172 463,172	Netresucass	463,172	
Net result for continuing 13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Winority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 49 Mayoritary net results** 463,172 463,172 463,172 483,172 493,268 493,268 493,268 493,268	11 (ax and asserted		
Net results for continuing Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	Results Union San San San San San San San San San Sa		
13 operations Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales* 39 Results of operations** 40 Mayoritary net results**	12 Companies		
Results for discontinuing 14 operations Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172		463 172	
Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results: of operations** 40 Mayoritary net results** 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172	13 Operations		
Net result before 15 extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales 39 Results of operations 40 Mayoritary net results 463,172 463,172 463,172 463,172 463,172 463,172 463,172 463,172			
Extraordinary parties Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales 39 Results of operations 40 Mayoritary net results 463,172 463,172 463,172			
Extraordinary parties 16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales 39 Results of operations 40 Mayoritary net results 41 08 970 893 268 40 Mayoritary net results 463 172			
16 expenses (income) net 17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales 39 Results of operations 40 Mayoritary net results 463,172 4108,969 893,268 40 Mayoritary net results 463,172	Extraordinary names		
17 18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172 463,172 463,172 483,172 483,172 483,172 483,172	Extraordinary P		Ś
18 net income 19 Minority interest 20 Mayoritary net result 36 Total sales 37 (3,652) 38 Net sales 39 Results of operations 40 Mayoritary net results 463,172 463,172 463,172	the first state of the second state of the sec		
19 Minority interest 20 Mayoritary net result 36 Total sales 37 (3,652) 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172 463,172 463,172		463,172	
20 Mayoritary net result 36 Total sales 37 38 Net sales 39 Results of operations 40 Mayoritary net results 41 08,969 43 108,970 893,268 40 Mayoritary net results			3
36 Total sales 4, 108,969 37 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 44, 108,969 45, 108,969 463,172	19 Minority interest	463,172	
38 Net sales** 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172	Zu mayonday neus-		
38 Net sales** 38 Net sales** 39 Results of operations** 40 Mayoritary net results** 463,172	as Total cales	4,108,969	600
38 Net sales** 39 Results of operations** 4 108 970 893,268 463,172 40 Mayoritary net results** 463,172	그는 이 얼마에 그런 살아서 그 이 있는데 하는 마약을 맞을때 이 없었다.	(3.652)	
38 Net sales 39 Results of operations** 463,172		老我想到我想到了,你就一点一点,我们就是一个人,我们就没有一个人,我们就没有一个人,我们就没有一个人,我们就没有一个人,我们就没有一个人,我们就没有一个人,我们	#
40 Mayontary net results** 463,172	38 Net sales	一点,在大型,一直被引起,这种是一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个	eri, Eqi
au Mayorkary recreasing	39 Kesuits of operations	2000年1月1日 1月1日 1月1日 1月1日 1月1日 1月1日 1月1日 1月1日	
41 Net result	40 Mayontary net results	是是一个大型的,这个大型的,我们就是一个大型的,我们就是一个大型的,我们就是一个大型的,我们就是一个大型的,这个大型的,这个大型的,这个大型的,这个人们就是一个	
	41 Net result	表で通過している。 And Andrews	

	sto 2002	
1 Total essets	5,735,742	
	5,487,089	
2 Total current assets		
3 Cash and cash equivalents	165,514	
46 Cash		
47 Gertificates of Deposit-	165,514	
Accounts receivables -	1,538,989	
	igal assertioners of the March Street,	
5 Other account receivables	182,788 3,464,365	
6 Inventories	185,438	
7 Other current assets	246,623	T-ARTHUR TO THE TOTAL THE
Long terms accounts		
9 receivables-trade	60,983	
Investments in non		Taring
10 subsidiaries companies 11 Other long term assets		
Property/ machinery and	GEOGRAFIE DE CACAMANTANTANTANTANTANTANTANTANTANTANTANTANTA	
12 equipment net	133,941 58,862	A CANADA
13 Real states Machinery and Industrial		vanetti sun i i
14 equipment	##### 198.237	
15 Other equipments	75,913 194,081	
16 Depreciation	ISA, USA	
17 Process construction 18 Diferred assets		Andrew Control
48 Acrued expenses	ness graduation	Chine Contract US Charles
49 Goodwill		
50 Defened income say.	. Popular	The state of the s
19 Otherassets	62,299	
	3.674,736 , mag	
20 Total liabilities		
21 Current-liabilities	1816(528	
Liabilities in foreing	126,961	
52 exchange	and the subject of th	
53 Liabilities in mexical pesos	1,688,567	Fig. 17 - Annual Control of the Cont
22 Suppliers	- 17867AU	rijalitu (18. – 19
23 Bank leans	732,247	
24 Bonds: 54 Commercial paper	All and the second of the seco	
55 Mid term bonds	的	
56 Bonds current portion		
25 Payable Tax	135,174° 151,388	
26 Other current liabilities: Other current liabilities with:		
57 cost	The second of the second secon	
Other current liabilities		Service County County County
58 without cost	151,388	品的斯 姓特尔克特 罗尔中部群岛的马斯特克

59 foreing exchange		
Long-termiliabilities in	70.00	
60 mexican pesos	478;922 178,420	
28 Loan tranks	300,000	
29 Bonds	The all that is	
61 Other liabilities	300,000	TO A CHAPPER STORY
62 Miditerm bonds	122,263	
30 Other credits 63 Other credits with cost		
64 Other credits without cost	122,268	70-19-20-19-20-19-20-20-20-20-20-20-20-20-20-20-20-20-20-
31 Differred credits		4.745
65 Goodwill	14.0	A CONTRACTOR OF THE PARTY OF TH
66 Deferred income tex	_{- [2] [1} [197,957]	
67 Others		A Principal Control of the Control o
32 Other liabilities	80,567	
68 Other provisions	60:567	
69 Other liabilities	And the second s	
33 Stockholders' equity	2,058,977	
34 Minority interest		
Majorsy stockhelien		
35 equity		
36 Common stock		
37 Common stock paid	1414.680	
38 Common stock updated	44 385	
39 Additional paid in capital		
40 Stockholder equity gain		
41 (loss)	1,889,952	
42 Retained earnings	2,025,772	AND TANKS
	State of the state	
Deficit from restatement 5	(280,049)	Total State
44 stockholders equity		"大学 集集"。"大学、大学、大学、
70 Deficit from restatement of		
71 stockholders equity	(280,049)	
	124.229	
45 Net income	124-224	
72 Working capital		
73		
74 Numers of executives." 75 Numbers of employees."		
76 Numbers of workers		
Número de Acciones en		
77 Circulación*	The production of the second	ANGENIA PER
78		And the second s
(*) information in units		TO THE MET MADE TO
TO THE PARTY OF THE PROPERTY OF THE PARTY OF	Contract of the Contract of th	

1 Sales	976.35	
21 National	925,632	
22 Foreign		
Convertions into U.S.		
23 Dollars		The section of the se
2 Cost of sales	624,905	
2 Gross profit	300,727	
General and administrative		
4 expenses	98,228	
5 Operating Result	202,499	
Comprehensive result of		
6 financing	(20,471)	
24 Interes expenses	(40,931)	
25 Foreign exchange loss	(4,417)	
26 Interest income	3,692	Acceptance of the second
27 Foreign exchange gain	THE PROPERTY OF THE PROPERTY O	and the state of t
28 Monetary gain	21,185	YEAR ASSESSMENT
42 UDIS updated loses		
43 UDIS updated gains		
Result after		
comprehensive result of		
7 financing	182,028	ALCOHOLOGICAL TO THE PARTY OF T
8 Other financial operation	3510	
Other income (expenses)	3,510	
29 net		
30		
31		
Result before income tax	185,538	
9 and asset tax		
Taxes provision and	61,309	
10 employee profit sharing	61,309	
32 I.S.R.		
33 Deferred IS.R.		
34 PTJ		
35 Deferred P.T.U. Net result after income		
11 tax and asset tax	124,229	
Results of non subsidiaries		And the second s
12 companies	所能が表示が複数を支払します。 実践としては、対象を表現しています。 対象を表現しています。	
Net result for continuing		
13 operations	124,229	
Results for discontinuing		
14 operations		
Net result before	104.000	
15 extraordinary parties	124,229	
Extraordinary parties		
16 expenses (income) net		THE STATE OF THE S
17 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -		
18 net income	124,229	
19 Minority interest	124,229	
20 Mayoritary net result		
	Amen 1975年 -	1 (2011年)
36 Total sales	don't se est est est est est est est est est	
37	を発展しています。 「中国議員の関係の報告である。 新年のできます。 「中国議員の関係を表現しています。」 「中国議員の関係を表現しています。」	
38 Net sales	1	T. T.Y.
39 Results of operations**	TOO AND	The second secon
40 Mayoritary net results**		TO A SECTION AND A SECTION AND A SECTION ASSESSMENT ASS
41 Net result**	A的量量の機能は、compa	

ANNEX C (10)

RECEIVED

ZOM JUN 24 A 9 46

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Consolidated Balance St		Equipment of the control of the cont	THE RE	CEIVED
	2nd 0.2008	The second secon		₩24 A 947
1. Total accept			SEE OF OF	IMTERMA
2 Total current assets	6,297, 832	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Marian Chros	INTERNATIONAL ATE FINANCE
3 Cash and cash equivalents	301 868		eren eren eren eren eren eren eren eren	
46 Cash 47 Certificates of Deposit	30 1,358 (#************************************			
Accounts receivables	1,789,974			
4 trade	148/852	Tarpanasan arabah dari dari dari dari dari dari dari dari	**************************************	
5 Other account receivables 6 Inventories	3,949,875			
7 Other current assets 8 Long Term assets .	187,573		Total	ga e pomo em el como e
Long terms accounts	53,923	Harten Hart Hart Hart Hart Hart Hart Hart Hart		
9 receivables trade investments in non				
10 subsidiaries companiés. 11 Other longrenn assets				
Property/machinery/and 12 equipment/net	191,506		andresianeri	
13 Real states	60 911 a 194			
Machinery and industrial 14 equipment	194/285			
15 Other equipments 16 Depreciation	199.279			
17 Precess construction 18 Diferred assets				
48 Acrued expenses:	A Company of the Comp	The state of the s		
49 Goodwill 50 Deferred income tax				
51 Others 19 Other assets	4,401			
20 Total liabilities	4;332;997			
	2:108:922		14 C. 14 C. 1	
21 Current liabilities Liabilities in foreing	113 126		19 13 13 13 13 13 13 13 13 13 13 13 13 13	
52 exchange		Same production of the second	SALET MARKET	• • •
53 Liabilities in mexican pesos				
22 Suppliers 23 Bank loans	1.088,478			
24 Bonds 54 Commercial paper	Part of the second seco	*Newson and the second		
55 Mid term bonds 56 Bonds current portion				
25 Payable Tax- 26 Other current liabilities	160,589 167,853			
Other current liabilities with	September 1997	A CHARLES OF THE CONTROL OF THE CONT		
57 cost Other current liabilities		The second secon	THE WAS	
58 without cost	167,853		COLUMN TOWNS TOWNS	

59 toreing exchange	TO SALE OF THE PROPERTY OF THE		
Long-term liabilities in 60 mexican pesos	672,452	The Table	5 主指描: 341
28 Loan banks	139,872		
29 Bonds	300,000	5944. T.	
61 Other liabilities			Page 1
62 Mid term bonds	300,000	Bullet Service and the service of th	
30 Other credits	370,880		in in the second of the second
63 Other credits with cost	A TANGA MUMADA		ettera indicata (1777) A Si Taliana in Carlo
64 Other credits without cost	370;860 (1993) 1,323;343		
31 Diferred credits			
65 Goodwill	7,323,3 43	And Christian Co.	
66 Deferred income tax.			Table
32 Other liabilities			
68 Other provisions	en in apotention as		
69 Other liabilities			
33 Stockholders equity	2,214,665	in representations	
			Linguista Condition (Co.)
34 Minody Interest Majority stockholders		#\$#\$第 65章 (2015年)	
35 equity	2,214,665		
36 Common stock	188,894		
37 Common stock paid	720	10 A Bu	
38 Common stock updated:	143,820		P
39 Additional paid in capital	44,354		
40		Tradition of the control of the cont	
Stockholder equity gain	2,026,771		
41 (1088)	2024 387		
42 Retained earnings	arukantsiigua _{lis} ger aktuuri		National Control of the Control of t
Deficit from restatement of	Alemakan persebatan di katapan persebatan berasah. Kalanggan berasah		
44 stockholderslequity	. (276,719)		
70			Transport
Deficit from restatement of	2015 CONT. 1015 CO.	and and the contract of the co	Liker Jack
71 stockholders'equity	(276,719)		
45 Net income	281,159		
	the Artic Of Market		
72 Working capital:	4,098,910		
73	Then I for the constitution		
74 Numers of executives			
75 Numbers of employees*	1,536 5, 497		Meni Cimii (CC)
76 Numbers of workers* Numbers of workers*			
77 Circulación			ANTITAL TRANSPORT
78			
(*) information in units			71848.
		14.50 case challenge (* 1955) Arabical State of the control of the	Tagana an Anna

	2,264,503	The state of the s	TIME CONTRACTOR
1 Sales	2.264,503		
21 National			
22 Foreign			
Convertions Into U.S.			a. Tirin A dilike
23 Dollars***	FAN EOO		
2 Cost of sales	1,529,628	raa taatiissa taaliista salii	
3 Gross profit	734,875		Elementalismos describe
General and administrative			
4 expenses	228,484		
5 Operating Result	506,391		
Comprehensive result of			
6 financing	(69,762)		
24 Interes expenses	(94,343)		
25 Foreign exchange loss	(4,554)		
26 Interest income	5,826		
27 Foreign exchange gain	23,309		State
28 Monetary gain			
42 UDIS updated loses	**************************************		
43_UDIS updated gains		The state of the s	
Result after			
comprehensive result of	436,629		
7 financing	59		
8 Other financial operation.	rigalia (n. 1906) Halifika (n. 1906)		
Other income (expenses)	59		
29 net			The state of the s
30			
31	ir Marianizas produceras estada de la Cardena estada de Cardena de Cardena de Cardena de Cardena de Cardena de Ca		
Result before income tax		THE SECTION OF THE SE	
9 and asset tax	436,688		
Taxes provision and			
10 employee profit sharing	155,535	u and Si Pell	
32 I.S.R.			Maria de la compania
33 Deferred I.S.R.	155,535	Applenton distribu	
34 P.T.U.			
35 Deferred P.T.U.		Andrews of the state of the sta	
Net result after income	Application of the second of t	Photo April 1985	
11 tax and asset tax	281,153		
Results of non subsidiaries			
12 companies		Commission of the Commission o	
Net result for continuing			
13 operations	281,163		
Results for discontinuing		A Control of the Cont	
14 operations			
Net result before			
15 extraordinary parties	281,153		
Extraordinary parties			
16 expenses (income) net			
7			
18 net income	281,153		
19 Minority interest	Marie Williamskij – grego i Stationskij medel 1908 - Milliamskij – grego i Stationskij medel		to Children States and Andrews
20 Mayoritary net result	281,153		
36 Total sales	2,264,502	The control of the co	Andrew Carlotte
37 Total saids	And the second s		
38 Net sales**	4,479,725		
	952 163		The state of the s
39 Results of operations**	520,829		AND THE PARTY OF T
40 Mayoritary net results	520,829	AND THE PROPERTY OF THE PARTY O	
41 Net result**	HIS TONE WEST AND A STATE OF THE STATE OF TH	・ 日本日本の大学の大学の大学の大学の大学を表現する。 	- Annual Control of the Control of t

	31410 2000		
1 Total assets	7,093;062		
2 Total current assets	6,787,878		
3 Cash and cash equivalents	397;862		mas car
46 Cash	TATALANTA MANAGAMINA MANAGAMINA MANAGAMINA MANAGAMINA MANAGAMINA MANAGAMINA MANAGAMINA MANAGAMINA MANAGAMINA M	ingleriensett	
47 Certificates of Deposit	The High the second of the sec		
Accounts receivables - 4 trade	1,678,541	TOTAL PROPERTY	
5 Other account receivables	145,546 4,370,461	distribution of the second	
6 inventories 7 Other current assets	198,983		
8 Long Term assets	306,679		
Long terms accounts-			
9 receivables frade	Sign.		Sudicion de la company
investments in non:	A Property of the Control of the Con	and the second	
11 Other long term assets	学位的是一个一个的学生。 第二章	anderson and subsection in the subsection of the	
Property, machinery and	242,736		
12 equipment net	59,859		+e0+: ■4i:>a:e: = 1
13 Real states Machinery and Industrial	ingential in the second		
14 equipment:	201, 179 190,494		
15 Other equipments	208.80%		
16 Depreciation	Section of the sectio	end if and a	
18 Diferred assets			
48 Acrued expenses	re la vivanta de la companya de la c		
49 Goodwill 50 Deferred income tex			
51 Others		573.67	
19 Other assets	18,937 fo		
20 Total liabilities	4,690,498		
	1,960,843	"all the Tuestania	
21 Current liabilities		· 西班里斯克	TOTAL THE STATE OF
52 exchange	154,240		Filter Mainting
	1,806,403	中国的"400"。	
53 Liabilities in mexican pesos 22 Suppliers			
23 Bankiloans	861,935		
24 Bonds			
54 Commercial paper	24 (1997)		Epopolise Touris III (1906)
56 Bonds current portion	47,074		
25 Payable Tax 26 Other current liabilities	309,327	ENTER STATE	
26 Other current liabilities with	Carrie I		# 17 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
57 cost			
Other current liabilities	309,327		
58 without cost 27 Long-term liabilities	1,314,485		
Long-term liabilities in		nation of the second second	
59 foreing exchange	146,433		

28 Loan Bariks	860°200		uales de la companya
29 Bonds 61 Other liabilities		Apple -	
62 Midtern bonds			
30 Other credits	372,679		
63 Other credits with cost	372,679		
64 Other credits without cost 31 Diferred credits	1,415,370		
65 Goodwill			
66 Deferred income tax	1,415,370	ofer 7	
67 Others		The specification of the second secon	3.00 (1.00 (
32 Other liabilities 68 Other provisions	Tar	in also actos y literalis	
69 Other liabilities	ar i de la companya d		
And the second s	2,802,553		
33 Stockholders equity			
34 Minority interest			
Majority stockholders			
35 equity	2,402,564 180,863		
36 Common stock paid.	720		
38 Common stock updated	145,319		
39 Additional paid in capital	44,814		artijer de en Jac. Perspedik ar
40 Stockholder equity gain	The state of the s		
41 (loss)	2211701		
42 Retained earnings	##455 2,042,301		page Eran
43 Deficit from restatement of	Total Property of the Control of the	Haran Maran (1995)	
44 stockholders equity	(279,589)		
70		e de la compania del compania del compania de la compania del compania de la compania de la compania del compania de la compania de la compania de la compania del compania	talen er
Deficit from restatement of 71 stockholders equity	(279,589)	THE STATE OF THE S	
	THE PARTY OF THE PARTY AND THE		
45 Net income	448,989 TELEVISION	Sing Strate Company of the Company o	
72 Working capital	4,626,730	Total Ward of Cale	
73			
74-Numers of executives ************************************	28. 4,591		
75 Numbers of employees. 76 Numbers of workers.		*	
Numero de Acciones en	TO WILLIAM TO THE TOTAL OF		Time 75
77 Circulación.			
78.	And Company of the Co	Later and Berlin	
(*) information in unite			
	ing terrer versions		

Sales	2,003,110		
National	3,659,176		
Foreign		TANKA MANAGATAN	
Convertions into U.S.			
Dollars**	2 471,742		
Cost of sales	1.187,434		
l Gross profit General and administrative			
expenses	358,661		
Operating Result	828,773		
Comprehensive result of			
6 financing	(130,902)		
Interes expenses	(153,983)	The state of the s	
Foreign exchange loss	(15,246)		
Interest income	8,129		
7 Foreign exchange gain	4,645 28,715		
Monetary gain	(3,191)		
2 UDIS updated loses 3 UDIS updated gains	29		
Result after			
comprehensive result of			
7 Anancing	697,871		
8 Other financial operation	3,160	SACTOR STATE	
Other income (expenses)	3,160		
9 net			
0 1			
Result before income tax	walling the second second		5.00 (a) (a) (b) (b) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c
9 and asset tax	701,031		
Taxes provision and		venteralifetiko.	
0 employee profit sharing	252,642		
2 1.S.R.	2.171	remand de la Marianta.	
3 Deferred I.S.R.	249,931		
4 P.T. U.			
5 Deferred P.T.U. Net result after income			
11 tax and asset tax	448,989		
Results of non subsidianes	An adams due 2000 An adams due		
12 companies			
Net result for continuing	448,989		
13 operations		A Company of the Comp	ALTERNATION OF SERVICE STORES
Results for discontinuing			
14 operations Net result before			
15 extraordinary parties	448,989		
Extraordinary parties			
16 expenses (income) net		na je se	Market St. 19
	448,989	pro-pagasistentini , ayaangsynta 102	
18 net income 19 Minority interest			
20 Mayoritary net result	448,989		
36 Total sales	3,659,176		
37	(390,366)		
38 Net sales**	4,725,194		
39 Results of operations**	1,027,330 580,761		
	360:70	n gina karaja da kar	The manager a service "
40 Mayoritary net results** 41 Net result**	580,761		

1 Net result	440,909		
Add Items not requiring	275.854		
2 the use of cash			
Depreciation and	25,923		
13 amortization of the period Increment (Decre.) in Net			
14 labor obligation	karon (Dobyakine Karon)	gan i daga matturi baya maja singg	ALCONOMIC RESTRICT
Loss (gain) net in foreign			
15 exchanges			
Loss (gain) Net for			
liabilities and assets		endgere strong in a strong	
16 updates			4. A. 200
17 Other parties	249;931		
Cash flow derived from			
3 net result of the period	724,843		
Change in the working	/4 4HD EOO\		
4 capital	.(1,418;529)		
Decrement (Incre.) in	(519,121)		
18 account receivables Decrement (Incre.) in			
19 Inventaries	(1,305,661)		
Decrement (Incre.) Other			
accounts receivables,			
prepaid expenses and			
20 other assets	(48,896)		
Increment (Decre.) in			
21 suppliers	333,668		-, 16
Increment (Drecre.) in	122,481		
22 Other liabilities Resources (usedin)	122,401		
provides by operating			
5 activities	(693,686)		
Change in external			
6 financial activities	779,895		
+Bank loans and bond in			
23 short-term debt	725,079		
+Bank loans and bonds in	500,000		
24 long-term debt			
25 26 +Other financing			
-Amortization of bank.			
27 financing	(445,384)		
-Amortization of financing			
28 Bonds			
-Amortization of other			
29 financing Change in own financial			
7 activities		The Sales of the Control of the Cont	
Increment (Decre.)			
30 common stock			
31		Tangang Japan P	
32 Additional paid in capital			
33			
Resources provided by			
(Used in) financial	779,695		
8 activities Resources provided by			
(Used in) investing			
9 activities	(98;621)	and the state of t	
3 acuviu es			
	OF DIRECTOR PROGRAM SAME TO COMPANY AND COLUMN TO COLUMN	and the second of the second o	

36 construction
37
38
39 Other parties

Net increase (decrease) in
10 cash and cash equivalent
11 Cash and cash equivalent
12 at the end of the period

37
38
39 Other parties

(12,512)
470,374

Increment in progress

ANNEX C (15)

RECEIVED

ZON JUN 24 A 9.47

CFFICE OF INTERNATIONAL CORPORATE FINAL ACCORDANCE OF THE PROPERTY OF THE PROPERT

Consolidated Balance Sh	e cts			
	411 94 15 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			ECEINED 24 1 20 47
1 Total assets				24 0
2 Total current assets	734,899			24. P.
3 Cash and cash equivalents 46 Cash	403,230	P. Angle D. T. Salta and Congress of the Cong	Parameter (1994)	
47 Certificates of Deposit	range (1969) status A. MASS. Park talah sangaran		The Control of the Co	
Accounts receivables = 4 trade	11,595,827			
5. Other account receivables.	114,737	Approximation of the second se		4 30
6 Inventories 7 Other current assets	5,024,068	And the second s		
8 Long Term assets	346,045		History Corpa Corpa	
Long terms accounts 9 receivables- trade	66.046	Control of the second of the s		مرابعة (السيدر) . المرابعة (السيدر) .
investments in non 10 subsidiaries companies	endosela (2006) ed Legal dese Bollogia de Color de Car			
11 Other long term assets Property, machinery and				
12 equipment, net	269,361 	effill Thomas reasons with the		
13 Real states Machinery and Industrial				
14 equipment 15 Other equipments	213,670 242,043	Construction of Section 2		
18 Depreciation 17 Process construction	247,034			
18 Diferred assets				
48 Acrued expenses:				
50 Deferred income tax 51 Others		Constant of Design		
19 Other assets	10,638	A STATE OF THE STA	organica (f. Aferica) (f. Post of the second	
20 Total liabilities	5,176,135			
21 Current liabilities	2,394,888			ı
Liabilities in foreing 52 exchange				
53 Liabilities in mexican pesos				
22 Suppliers. 23 Bank loans	1,140,702 921,948	Trial Control of Table		
24 Bonds		The same and a little of the same and the sa	raffe to high the state of the	
54 Commercial paper 55 Mid term bonds				
56 Bonds current portion 25 Payable Tax	211,009	and the second s		
26 Other current liabilities Other current liabilities with	151,229 E			
57 cost	in a market the second			
Other current liabilities 58 without cost	151,229			
27 Long-term liabilities	1,313,369			

Long-term liabilities in the	1,257,461	
60 mexican pesos	389.443	The state of the s
28 Loan banks	1 2 2 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	
29 Bonds		
61 Other liabilities	900:000	TOTAL TELEVISION OF THE PARTY O
62 Mid term bonds	if45,926	The second secon
30 Other cradits		
63 Other credits with cost	143/926	
64 Other credits without cost	1.468824	
31 Diferred credits	The second secon	
65 Goodwill	1,466,821	
66 Deferred income tax		
67 Others	1,057	
32 Other liabilities	**************************************	
68 Other provisions	The second of th	Andrew Company of the
69 Other liabilities.	A Part of the Control	
	2,518;809	
33 Stockholders' equity	This course was a second of the second of th	
Section 1		
34 Minority interest		
Majority stockholders'	2,518,809	
35 equity	451,147	
36 Common stock	·	
37 Common stock paid	144,930	s en Personali
38 Common stock-updated	5 467	
39 Additional paid in capital.		
40		
Stockholder squity gain	2,367.892	
41 (loss)	2,075,838	The state of the s
42 Retained earnings		
43 Deficit from restatement of		
44 stockholders equity	(320,855)	第一种的 用 。第二种
		SOUTH THE PARTY OF
70 Deficit from restatement of		
71 stockholders'equity	7320,655)	
		The second of th
45 Net income	612,509	
Landa and Salar Salar		
72 Working capital	4,954,011	
79	· 其情 表示是是一个不是是不是	
74 Numers of executives	.37	Tarangan Pagaras,
75 Numbers of employees	7.4641	
75 Numbers of employees* 76 Numbers of workers*	4846	
Número de Acciones en		
77 Circulación		
78		And the state of t
(*) information in units		
		型的主题中的16 图 18 分析。中国16 18 19 19 19 19 19 19 19 19 19 19 19 19 19

23 Dollars			
² Cost of sales			
3 Gross profit	3,535,87		
General and administrative	1,697,03	7	
5 Operation	Mariana.		
5 Operating Result	⁵ 65,418		
Comprehensive result of	1,131,619		
24 Interes			752 vol. 1
24 Interes expenses 25 Foreign	(168,021)		
25 Foreign exchange loss 26 Interest income 27 Foreign	(210,042)	Elika 1959 kananggan palaga. Kanang	
27 Foreign	(24,970)		
27 Foreign exchange gain 28 Monetary gain 42 UDIS	10,935		
42 UDIS ILL	9,730		
43 UDIS in Joses	47,599		
43 UDIS updated loses Result after	(1,322)		
	49		
comprehensive result of			
8 Other financial operation Other income (co.			
Other incomperation	963,598		
Other income (expenses)	(8,024)		
30			
31	(6,024)		
Result before Income tax			
9 and asset tax			
Toxes			
	957,574		
32 LS.R. Promisharing			
33 Deferred I.S.R.	345,065		
	17,453		
35 Defement De	327,612		Aller Marie
TULTBOILE.	in the second		men with
11 tax and asset tax			. The sales
	4.		
12 companies 6	12,509		
Net result for continuing 13 operations			
13 operations			
Results for discontinuing 81, 14 operations	2,509		
No.			
Net result before			
15 extraordinary parties Extraordinary parties			
Extraordinary parties 612, 16 expenses (income) net	509		
17 ("Icome) net			
18 net inc.			
2 Wilhorika La			
20 Mayoritary net result	09 .		
A we bank			Allen inc
36 Total sales 612,50)9		
38 Net sales**	9		Maria Alfan
Total Kesulta Les Maries de la companya del companya del companya de la companya	Harrist Control		
40 Mayoritary net results 1,131,619			
41 Net result** 1.131,619			
612,509	Marine Committee of the		
- 1 (1) (1) (1) (1) (1) (1) (1) (1) (1) (The state of the s	errotentalis o profesiones en la compa	1000mm (2011年)

1 Not result	612,509	
Add items not regularing	363,362	
2 the use of cash		
Depreciation and	35,504	
13 amortization of the period Increment (Decre.) in Net		
14 labor obligation	246	
Loss (gain) net in foreign		
15 exchanges		
Loss (gain) Net for		
liabilities and assets		
16 updates	327.612	
17 Other parties	34,014	
Cash flow derived from	975,871	
3 net result of the period		
Change in the working	(1,873,883)	
4 capital Decrement (Incre.) in		
18 account receivables	(428,519)	
Decrement (Incre.) in		
19 Inventaries	(2)001,737)	
Decrement (Incre.) Other		
accounts receivables,		
prepaid expenses and	207	
20 other assets		
Increment (Decre.) in	469,197	
21 suppliers Increment (Drecre.) in		
22 Other liabilities	86,929	
Resources (used in)		
provides by operating	(007.00%)	
5 activities	(897,992)	-
Change in external	1:050,527	
6 financial activities +Bank loans and bond in		
23 shorterm debt		
+Bank loans and bonds in		
24 long-term debt	1,050,527	
25 .		
26 +Other financing		
-Amortization of bank		
27 financing -Amortization:of financing		
28 Bonds		
-Amortization of other		
29 financing		
Change in own financial	(32,933)	
7 activities.		
Increment (Decre.)	(32,933)	;
30 common stock		-
31 32 Additional paid in capital		1
33		1972
Resources provided by		
(Used in) financial	4047804	8
8*activities	1;017;594	s S
Resources provided by		ć.
(Used in) investing	(133, 48 6)	Š.
9 activities	Section Control of the Control of th	

machinary and equipment,
35 net
Increment in progress
36 construction
37
38
39 Other parties

Net increase (decrease) in
10 cash and cash equivalent
11 Cash and cash equivalent
Cash and cash equivalent
Cash and cash
equivalent at the end of
12 the period

(13,884)
403,230

ANNEX C (17)

RECEIVED

OFFICE OF INTERNATION

CORPORATERNATION

ANNEX D (1)

RECEIVED 2004 JUN 24 A 9: 117

We maintained our strong financial position and the highest operating margins in the sector

(All figures in millions of constant Pesos as of December 31, 2002)

Sales:

	Jan-Dec'02	_ Jan-Dec'01	Var. 02-01
Sales	4,111.9	3,735.9	10.1%
Units sold	17,730	16,058	10.4%

Operating income and EBITDA:

	Jan-Dec'02	Margin	Jan-Dec'01	Margin	Var. 02-01
Operating income	899.0	21.9%	887.3	23.7%	1.3%
EBITDA ⁽¹⁾	962.0	23.4%	960.9	25.7%	0.1%

Net income and Cash Earnings:

			Jan-Dec'01		
Net income	398.8	9.7%	375.1	10.0%	6.3%
Cash Earnings ⁽²⁾	742.5	18.0%	620.7	16.6%	19.6%

	Jan-Dec'02	Jan-Dec'01	Var. 02-01
Net Debt ⁽³⁾	600.1	836.4	-28.3%
Interest coverage ⁽⁴⁾	5.1	3.3	54.6%
Leverage ⁽⁵⁾	0.6	0.9	-33.3%

⁽¹⁾ EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized interest

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes.

⁽³⁾ Debt - Cash and cash equivalents.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

⁽⁵⁾ Net Debt / EBITDA last 12 months.

We maintained our strong growth and financial position

(All figures in millions of constant Pesos as of March 31, 2003)

(thi figures in the			- ac or maror	. 0 1, 200	
Sales:					
	Jan-M	ar'03	Jan-Mar'0	2 '	Var. 03-02
Sales	925	.6	797.8	- 1	16.0%
Units sold	3,6	53	3,282	1	11.3%
				_	
	i				
Operating income and EBITDA:					
	Jan-Mar'03	Margin	Jan-Mar'02	Margin	Var. 03-02
Operating income	202.5	21.9%	188.4	23.6%	7.5%
EBITDA ⁽¹⁾	223.9	24.2%	202.1	25.3%	10.8%
					· .
Net income and Cash Earnings:					

		-	Jan-Mar'02		
Net income			107.2		
Cash Earnings ⁽²⁾	177.0	19.1%	153.1	19.2%	15.6%

	Jan-Mar'03	Jan-Mar'02	Var. 03-02
Net Debt ⁽³⁾	1,045.2	967.8	8.0%
Interest coverage ⁽⁴⁾	5.5	3.7	50.2%
Leverage ⁽⁵⁾	0.95	1.03	-8.2%

⁽¹⁾ EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized interest

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes.

⁽³⁾ Debt - Cash and cash equivalents.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

⁽⁵⁾ Net Debt / EBITDA last 12 months.

We maintained our strong financial position and the highest operating margins in the sector

(All audited figures in millions of constant Pesos as of December 31, 2002)

S	a	ł	e	s	
v	α	ı	Ç	J	

	Jan-Dec'02	Jan-Dec'01	Var. 02-01
Sales	4,109.0	3,735.9	10.0%
Units sold	17,711	16,058	10.3%

Operating income and EBITDA:

	Jan-Dec'02	Margin	Jan-Dec'01	Margin	Var. 02-01
Operating income	893.3	21.7%	887.3	23.8%	1.0%
EBITDA ⁽¹⁾	956.3	23.3%	960.9	25.7%	-0.5%

Net income and Cash Earnings:

			Jan-Dec'01		
Net income	463.2	11.3%	375.1	10.0%	23.5%
Cash Earnings ⁽²⁾	702.9	17.1%	616.4	16.5%	14.0%

	Jan-Dec'02	Jan-Dec'01	Var. 02-01
Net Debt ⁽³⁾	599.9	836.4	-28.3%
Interest coverage ⁽⁴⁾	5.2	3.3	55.7%
Leverage ⁽⁵⁾	0.6	0.9	-28.1%

⁽¹⁾ EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized interest

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes.

⁽³⁾ Debt - Cash and cash equivalents.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

⁽⁵⁾ Net Debt / EBITDA last 12 months.

ANNEX D (10)

RECEIVED

2004 JUH 24 A 9 47

OFFICE OF INTERMANANCE
CORPORRATE FINANCE

CEO's Report RECEIVED The summer of the su

Our results reflect our leadership in growth, profitability and financial strength

(All figures in millions of constant Pesos as of June 30, 2003)

_					
S	2	۱	۵	e	•

	Jan-Jun'03	Jan-Jun'02	Var. 03-02
Sales	2,264.5	1,945.1	16.4%
Units sold	8,811	7,897	11.6%

Operating income and EBITDA:

			Jan-Jun'02		
Operating income			458.7		
EBITDA ⁽¹⁾	551.9	24.4%	489.2	25.2%	12.8%

Net income and Cash Earnings:

			Jan-Jun'02		
Net income			229.3		
Cash Earnings ⁽²⁾	434.7	19.2%	376.2	18.6%	20.2%

	Jan-Jun'03	Jan-Jun'02	Var. 03-02
Net Debt ⁽³⁾	1,226.8	869.5	41.1%
Interest coverage ⁽⁴⁾	5.8	4.1	41.9%
Leverage ⁽⁵⁾	1.2	0.8	41.0%

⁽¹⁾ EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized interest

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes.

⁽³⁾ Debt - Cash and cash equivalents.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

⁽⁵⁾ Net Debt / EBITDA last 12 months.

Our results reflect our leadership in growth, profitability and financial strength

(All figures in millions of constant Pesos as of September 30, 2003)

_	_	
Sa	وعا	2

	Jan-Sep'03	Jan-Sep'02	Jan-Sep'01	Var. 03-02	Var. 02-01
Sales	3,659.2	3,137.5	2,557.4	16.6%	22.6%
Units sold	13,889	12,976	10,630	7.0%	22.1%

Operating income and EBITDA:

	Jan-Sep'03	Margin	Jan-Sep'02	Margin	Jan-Sep'01	Margin	Var. 03-02
Operating income	828.7	22.6%	715.3	22.8%	601.2	23.5%	15.9%
EBITDA ⁽¹⁾	899.3	24.6%	759.7	24.2%	661.8	25.8%	18.4%

Net income and Cash Earnings:

	Jan-Sep'03	Margin	Jan-Sep'02	Margin	Jan-Sep'01	Margin	Var. 03-02
Net income	448.9	12.3%	342.1	10.9%	320.7	12.5%	31.3%
Cash Earnings ⁽²⁾	706.7	19.3%	597.2	19.0%	410.9	16.1%	18.3%

Financial position:

	Jan-Sep'03	Jan-Sep'02	Jan-Sep'01	Var. 03-02	Var. 02-01
Net Debt ⁽³⁾	1,405.9	901.2	1,150.9	56.0%	-21.7%
Interest coverage ⁽⁴⁾	5.7	4.7	3.2	20.7%	48.3%
Leverage ⁽⁵⁾	1.3	0.8	1.3	50.8%	-33.6%

(1) EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized interest

(3) Debt - Cash and cash equivalents.

(5) Net Debt / EBITDA last 12 months.

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

During 2003 the company showed its leadership in profitable growth and an improvement in its strategic position within Metropolitan Areas

(All audited figures in millions of constant Pesos as of December 31, 2003)

Sales:

	Jan-Dec'03	Jan-Dec'02	Jan-Dec'01	Var. 03-02	Var. 02-01
Sales	5,232.9	4,272.5	3,884.6	22.5%	10.0%
Units sold	20,071	17,711	16,058	13.3%	10.3%

Operating income and EBITDA:

	Jan-Dec'03	Margin	Jan-Dec'02	Margin	Jan-Dec'01	Margin	Var. 03-01
Operating income	1,131.6	21.6%	928.8	21.7%	922.6	23.8%	21.8%
EBITDA ⁽¹⁾	1,231.6	23.5%	994.4	23.3%	999.2	25.7%	23.9%

Net income and Cash Earnings:

	Jan-Dec'03	Margin	Jan-Dec'02	Margin	Jan-Dec'01	Margin	Var. 03-01
Net income	612.5	11.7%	481.6	11.3%	390.0	10.0%	27.2%
Cash Earnings ⁽²⁾	943.3	18.0%	730.8	17.1%	641.0	16.5%	29.1%

	Jan-Dec'03	Jan-Dec'02	Jan-Dec'01	Var. 03-02	Var. 02-01
Net Debt ⁽³⁾	1,688.2	623.8	869.7	170.6%	-28.3%
Interest coverage ⁽⁴⁾	6.1	5.2	3.3	19.4%	55.7%
Leverage ⁽⁵⁾	1.4	0.6	0.9	118.4%	-27.9%

⁽¹⁾ EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized Interest.

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes

⁽³⁾ Debt - Cash and cash equivalents.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

⁽⁵⁾ Net Debt / EBITDA last 12 months.

During 2003 the company showed its leadership in profitable growth and an improvement in its strategic position within Metropolitan Areas

(All figures in millions of constant Pesos as of December 31, 2003)

-	
C~	

τ,	Jan-Dec'03	Jan-Dec'02	Jan-Dec'01	Var. 03-02	Var. 02-01
Sales	5,232.9	4,272.5	3,884.6	22.5%	10.0%
Units sold	20,071	17,711	16,058	13.3%	10.3%

Operating income and EBITDA:

	Jan-Dec'03	Margin	Jan-Dec'02	Margin	Jan-Dec'01	Margin	Var. 03-01
Operating income	1,131.6	21.6%	928.8	21.7%	922.6	23.8%	21.8%
EBITDA ⁽¹⁾	1,232.6	23.5%	994.4	23.3%	999.2	25.7%	23.9%

Net income and Cash Earnings:

	Jan-Dec'03	Margin	Jan-Dec'02	Margin	Jan-Dec'01	Margin	Var. 03-01
Net income	612.5	11.7%	481.6	11.3%	390.0	10.0%	27.2%
Cash Earnings ⁽²⁾	943.3	18.0%	730.8	17.1%	641.0	16.5%	29.1%

Financial position:

	Jan-Dec'03	Jan-Dec'02	Jan-Déc'01	Var. 03-02	Var. 02-01
Net Debt ⁽³⁾	1,688.2	623.8	869.7	170.6%	-28.3%
Interest coverage ⁽⁴⁾	6.1	5.2	3.3	19.4%	55.7%
Leverage ⁽⁵⁾	1.4	0.6	0.9	118.4%	-27.9%

(1) EBITDA means the Operating Income plus Depreciation, Amortization and Interest of Capitalization.

(2) Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred taxes.

(3) Debt - Cash and cash equivalents.

(4) EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

(5) Net Debt / EBITDA last 12 months.



The company is distinguished by its sustainable and profitable growth as well as for its prudent use of working capital

(All figures in millions of constant Pesos as of March 31, 2004)

_	
-52	20

	e e e e	Jan-Mar'04	jan-Mar'03	Jan-Mar'02		Var. 03-02
Sales		1,136.3	964.8	831.6	17.8%	16.1%
Units sold		4,273	3,653	3,282		11.3%

Operating income and EBITDA:

	Jan-Mar'04	Margin	Jan-Mar'03	Margin	Jan-Mar'02	Margin	Var. 04-03
Operating income	248.5	21.9%	211.1	21.9%	196.3	23.6%	17.7%
EBITDA ⁽¹⁾	278.4	24.5%	233.4	24.2%	210.7	25.3%	19.3%

Net income and Cash Earnings:

	Jan-Mar'04	Margin	Jan-Mar'03	Margin	Jan-Mar'02	Margin	Var. 04-03
Net income	147.0	12.9%	126.8	13.1%	111.7	13.4%	16.0%
Cash Earnings ⁽²⁾	203.8	17.9%	181.8	18.8%	160.1	16.6%	12.1%

Financial position:

	Jan-Mar'04	Jan-Mar'03	Jan-Mar'02	Var. 04-03	Var. 03-02
Net Debt ⁽³⁾	1,799.1	1,089.4	1,008.8	65.1%	8.0%
Interest coverage ⁽⁴⁾	5.9	5.4	3.6	10.8%	47.9%
Leverage ⁽⁵⁾	1.39	1.05	.98	31.6%	7.5%

(1) EBITDA means the Operating Income plus Depreciation, Amortization and Capitalized interest

(3) Debt - Cash and cash equivalents.

(5) Net Debt / EBITDA last 12 months.

⁽²⁾ Cash Earnings means the net income plus Depreciation less Monetary gain position, plus Foreign exchange loss, plus deferred income taxes.

⁽⁴⁾ EBITDA last 12 months / Financial expenses net last 12 months (Interest expenses - Interest income).

ANNEX E

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2001, 2002 AND 2003

(Amounts in thousands of Constant Mexican Pesos as of December 31, 2003, except where otherwise indicated)

1. Description of the Business

Urbi, Desarrollos Urbanos, S.A. de C.V. ("Urbi") and its subsidiaries (collectively the "Company") are engaged primarily in purchasing land and designing, developing, constructing and marketing housing developments, for the low, middle income and residential markets. For financial reporting purposes the Company operates in one business segment.

2. Accounting Policies and Practices

The Company's financial statements have been prepared in accordance with generally accepted accounting principles in Mexico. The most important accounting policies and practices followed in the preparation of these financial statements are described below:

a) Basis of consolidation

The consolidated financial statements include the accounts of Urbi and those of its subsidiaries.

The consolidated subsidiaries of Urbi and Urbi's equity interest in each subsidiary, are as follows:

	Equity in Decemb	terest at per 31,
Subsidiary	2002	2003
Cyd Desarrollos Urbanos, S.A. de C.V	99.99%	99.99%
Ingeniería y Obras, S.A. de C.V.	99.99%	99.99%
Promoción y Desarrollos Urbi, S.A. de C.V	99.99%	99.99%
Obras y Desarrollos Urbi, S.A. de C.V.	99.99%	99.99%
Tec Diseño e Ingeniería, S.A. de C.V	99.99%	99.99%
Propulsora Mexicana de Parques Industriales, S.A. de C.V	99.99%	99.99%
Constructora Metropolitana Urbi, S.A. de C.V		99.99%
Urbi Construcciones del Pacífico, S.A. de C.V	·—	99.99%

Constructora Metropolitana Urbi, S.A. de C.V. and Urbi Construcciones del Pacífico, S.A. de C.V were incorporated in 2003.

All significant intercompany balances, investments and transactions have been eliminated in the consolidated financial statements.

b) Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the amounts reported in the financial statements and in the accompanying notes. Actual results could differ from those estimates.

c) Recognition of the effects of inflation

The Company recognizes the effects of inflation on financial information as required by Mexican accounting Bulletin B-10, "Accounting Recognition of the Effects of Inflation on Financial Information", issued by the Mexican Institute of Public Accountants (MIPA). Consequently, the amounts shown in the accompanying financial statements and in these notes are expressed in

thousands of constant Mexican pesos as of December 31, 2003. The December 31, 2003 restatement factor applied to the financial statements as of December 31, 2001 and 2002 was 1.0990 and 1.0398, which represent the rate of inflation from December 31, 2001 and December 31, 2002 up to December 31, 2003, respectively, based on the Mexican National Consumer Price Index (NCPI) published by Banco de México (the Central Bank).

Property, machinery and equipment, and houses and construction developments for sale and construction materials were restated by applying the NCPI.

Land held for construction, urbanized land and construction in progress are valued at acquisition cost and were restated to replacement cost, not in excess of the realizable value.

Other non-monetary assets were restated using adjustment factors obtained from the NCPI.

Common stock, additional paid in capital, the cumulative effect of adopting deferred income tax and retained earnings were restated using adjustment factors obtained from the NCPI.

The net monetary gain represents the impact of inflation on monetary assets and liabilities. The net monetary position gain of each year is included in the statements of income as a part of the comprehensive result of financing.

The deficit from restatement of stockholders' equity consists of the accumulated monetary gain/loss at the time the provisions of Bulletin B-10 were first applied, and of the result from holding non-monetary assets, which represents the net difference between the restatement of inventories by replacement cost and restatement based on the NCPI.

Bulletin B-12, "Statement of Changes in Financial Position", specifies the appropriate presentation of the statement of changes in financial position based on financial statements restated in constant Mexican pesos in accordance with Bulletin B-10. Bulletin B-12 identifies the sources and applications of resources representing differences between beginning and ending financial statement balances in constant Mexican pesos. In accordance with this bulletin, monetary and foreign exchange gains and losses are not treated as non-cash items in the determination of resources provided by operations.

d) Cash and cash equivalents

Cash and cash equivalents are represented principally by bank deposits and highly liquid investments with maturities of three months or less at the date acquired, and are stated at cost plus accrued interest. The stated value is not in excess of market value.

e) Reserve for doubtful accounts

The Company computes the allowance for doubtful accounts related to customer balances at 33% on all past-due balances.

f) Inventories

The Company capitalizes interest and other comprehensive costs of financing derived from bank loans used principally for land development, in amounts defined by each project. The capitalization of these costs begins when activities necessary to develop the property commence and continues during the

period in which the Company is actively working in the development of the land. The capitalized comprehensive result of financing in 2001, 2002 and 2003 was Ps.38,003, Ps.30,934, and Ps.69,879, respectively.

Land held for construction presented as long-term, are those that the Company cannot use within a year.

g) Property, machinery and equipment

Depreciation is computed using the straight-line method based on the estimated useful lives of the related fixed assets.

In the case of costs of computer software developed or obtained for internal use, the Company capitalizes its investments in software related to the applications of its technology platform.

The Company capitalizes all related internal and external software costs incurred during the development stage. Costs incurred during the preliminary project in the post implementation/ operation stage of the software are expensed as incurred.

h) Revenue and cost recognition

Revenues from the Company's activities as a developer are recognized using the percentage-of-completion method in accordance with accounting Bulletin D-7 "Construction contracts", measured as the current percentage of costs incurred compared against the total estimated costs to be incurred in each development or project. Under this method, the estimated gross profit attributable to each development is determined by the percentage of completion of the development, and the resulting amount is added to the amount of actual costs incurred to that date to determine the amount of revenue to be recognized. The Company applies the percentage-of-completion method to costs and revenues based on equivalent units (cost incurred to total cost estimated for a house), when the following conditions have been met:

- > The Infonavit or SHF has committed to grant mortgages to the Company's customers that comply with the eligibility requirements for a mortgage loan, and
- > there is a commitment to buy (i) in the case of sales financed by Instituto del Fondo Nacional para la Vivienda para los Trabajadores (INFONAVIT): the buyer has been approved as a qualified recipient of an INFONAVIT mortgage, (ii) in the case of sales financed by Sociedad Hipotecaria Federal (Federal Mortgage Partnership): the buyer (a) has been approved as such by the Company and (b) meets the lending requirements of the financial institution providing the loan and there is a commitment of approval of such loan on part of the lending institution, or (iii) in the case of sales financed by a commercial bank or the financial institution on behalf of qualified home buyers and the home buyer has qualified in accordance with the financial institution requirements.

Development costs include land, all direct material and labor costs and those indirect costs related to the development of the project, such as indirect labor, equipment, repairs, depreciation expense and the capitalized comprehensive result of financing of land development. General and administrative expenses are charged to results of operations at the time they are incurred. Variations on cost incurred against budgeted cost for each project are made in the period in which such variations are know.

Some additional and exceptional cost for concluded projects, are presented in the statements of income under other expenses. In 2003, these costs were \$14,600.

i) Foreign currency

Transactions in foreign currency are recorded at the prevailing exchange rate at the time of the related transactions. Foreign currency denominated assets and liabilities are translated at the prevailing exchange rate at the balance sheet date. Exchange rate differences are applied to income of the year, except for those that are capitalized for development projects, as described in Note 2f.

j) Liabilities denominated in investment units (UDIs)

Liabilities denominated in UDIs are presented in the balance sheet in Mexican Pesos at the UDI value published by the Banco de Mexico as of such date. Differences in the valuation are recognized as interest expense under the comprehensive result of financing.

k) Labor obligations

Effective January 1, 2003, the Company began to recognize seniority premium costs during the years of service of personnel, based on actuarial computations made by independent actuaries, using the projected unit-credit method, as required by Mexican accounting Bulletin D-3, "Labor Obligations", issued by the MIPA (see Note 11). Prior to January 1, 2003, the Company did not recognize these costs due to its immateriality and; therefore, did not restate prior years financial statements.

Under Mexican labor law, employees who die, are disabled or are dismissed in certain circumstances are entitled to a seniority premium equal to twelve days' salary for each year worked (for purposes of computing the seniority premium, such salary is not to exceed twice the legal minimum wage in effect at the time of the employee's separation). Termination payments are charged to statement of income in the year in which the decision to dismiss an employee is made.

I) Income tax, and asset tax and employee profit sharing

The Company recognizes deferred taxes on basically all temporary differences in balance sheet accounts between financial and tax values, using the enacted income tax rate at the balance sheet date.

The Company evaluates periodically the possibility of recovering deferred tax assets and, if necessary, creates or adjusts the related reserve.

Deferred employee profit sharing should be recognized only on temporary differences determined from the reconciliation of current year net income for financial and employee profit sharing reporting purposes, provided there is no indication that the related liability or asset will not be realized in the future.

Current year employee profit sharing is charged to results of operations and represents a liability due and payable in a period of less than one year.

The asset tax is included in deferred income tax, and a valuation allowance is created to the extent that based on available evidence it is more likely than not that some or all of the asset tax will not be realized.

Accumulated effect of deferred taxes presented in the stockholders' equity represents the first application of the Bulletin D-4, related to deferred taxes.

m) Earnings per share

The Company calculates earnings per share in conformity with Mexican Accounting Principles Bulletin B-14, "Earnings per Share", issued by the MIPA.

n) Concentration risk

The Company's financial instruments that are subject to credit risk are cash equivalents and accounts receivable. The Company invests a portion of its surplus cash in deposits with financial institutions. The Company does not consider the credit risk in accounts receivable to be significant, since usually it does not extend unsecured loans and only transfers the property when the customer or financial institution certifies that the corresponding mortgage loan has been approved and the required down-payment has been made.

o) Comprehensive income

The company's comprehensive income consists of the net income for the year, the result from holding non-monetary assets and the related deferred income taxes applied directly to stockholders' equity.

p) New accepted pronouncements

Intangible Assets

Effective January 1, 2003, the Company adopted the requirements of the new Mexican accounting Bulletin C-8, *Intangible Assets* issued by the MIPA, which, among other things, specifies that project development costs are to be capitalized if they meet certain established requirements with respect to their recognition as assets. Pre-operating costs are to be recognized as an expense and intangible assets with indefinite useful lives are not to be amortized, but instead shall be evaluated annually for impairment. Unamortized balances of pre-operating expenses capitalized in terms of the previous Bulletin C-8 are to be amortized as specified in such bulletin. The adoption of these new rules did not have any effect on the Company's financial statements.

Liabilities, Provisions, Contingent Assets and Liabilities and Commitments
Effective January 1, 2003, the Company also adopted the requirements of the new Mexican accounting
Bulletin C-9, Liabilities, Provisions, Contingent Assets and Liabilities and Commitments, and its
addendum, both issued by the MIPA, this new Bulletin is more precise in defining provisions, accrued
liabilities and contingent liabilities, and contains new requirements with respect to the recording of
provisions, the use of the present value and the early extinguishment of debt or their replacement by a
new debt. The new Bulletin C-9 also specifies the rules for the valuation, presentation and disclosure
of liabilities and provisions. The adoption of this new bulletin did not have any effect on the
Company's financial position or in its results of operations.

Accounting for the Impairment or Disposal of Long-Lived Assets
In March 2003, the MIPA issued Bulletin C-15, Accounting for the Impairment or Disposal of Long-Lived Assets, the observance of which is compulsory for fiscal years beginning on or after January 1, 2004. Bulletin C-15 defines the rules for the computation and recognition of asset impairment losses and their reversal, as well as for the presentation and disclosure of both assets whose values have been impaired and of discontinued operations. The Company expects that the adoption of this guideline will not have a significant effect in its earnings or financial position.

Financial instruments with characteristics of both liabilities and equity
In April 2003, the Mexican Institute of Public Accountants issued Bulletin C-12, Accounting for
Certain Financial Instruments with Characteristics of both Liabilities and Equity, the objective of which
is to specify the differences between liabilities and equity. Bulletin C-12 also establishes the rules for
classifying and valuing the initial recognition of the components of liabilities and equity of combined
instruments, as well as the rules for disclosing such financial instruments. The observance of
Bulletin C-12 is compulsory for fiscal years beginning on or after January 1, 2004, although earlier
observance is recommended. Company management has concluded that the adoption of this new
accounting pronouncement will have no effect on the Company's financial position or on its results of
operations, since the Company has not entered into any agreements involving such financial
instruments.

g) Convenience translation

United States dollar amounts as of and for the period ended December 31, 2003, shown in the financial statements have been included solely for the convenience of the reader, and are translated from Mexican Pesos with purchasing power as of December 31, 2003, as a matter of mathematical computation only, at an exchange rate of Ps.11.2360 to US \$1.00, the December 31, 2003, exchange rate as published by Banco de Mexico in the Official Gazette. Such translations should not be construed as a representation that the Mexican Peso amounts have been or could be converted into U.S. Dollars at this or any other rate.

r) Reclassifications

Certain amounts shown in the 2001 and 2002 financial statements as originally issued have been reclassified for uniformity of presentation with 2003.

3. Accounts Receivable

Accounts receivable consist of the following:

	December 31,		
	2002	2003	
Total estimated incurred construction costs	Ps. 602,052 302,118	Ps. 821,282 401,786	
Total unbilled receivables	904,170 (100,033)	1,223,068 (150,345)	
Unbilled receivables on developments in progress	804,137 347,401	1,072,723 455,181	
Allowance for doubtful accounts	1,151,538 (18,216)	1,527,904 (16,376)	
Current portion of long-term accounts receivable	1,133,322 1,075,541	1,511,528 1,445,482	
Long-term total	Ps. 57,781	Ps. 66,046	

Long-term trade receivables are related to sales of residential land for development and are denominated in U.S. dollars. All such credits mature between 1 and 7 years depending on the amount of the down payment. The loans are secured by the land sold and bear annual interest between 6.0% and 12.5%.

4. Related Parties

a) Below is an analysis of balances due from/to related parties as of December 31, 2002 and 2003. All of the companies are considered as Urbi's affiliates, because the Company's principal stockholders' are also directly or indirectly stockholders' of these related parties.

	Decen	nber 31,
	2002	2003
Due from:		
Affiliates:		*
Promotores de Parques Industriales del Pacífico, S.A. de C.V.		
(PROINPAC)	Ps. 91,762	Ps.113,079
Exportación Industrial del Pacífico, S.A. de C.V. (EXINPAC)	83,000	
Siglo XXI Desarrollos Industriales, S.A. de C.V	5,786	5,958
Diseño y Tecnología, S.A. de C.V	650	1,437
Operadora Festival Plaza, S.A. de C.V	734	1,851
Alix Desarrollos Turísticos, S.A. de C.V. (ALIX)		74,817
Stockholders		13,895
	Ps.181,932	Ps.211,037
Due to:		
Affiliates:	-	
Grupo Alix, S.A. de C.V.	Ps. 885	Ps. 858
Exportación Industrial del Pacífico, S.A. de C.V		26
Alix Desarrollos Turísticos, S.A. de C.V.	13	
Stockholders	4,597	
	Ps. 5,495	Ps. 884

b) During the years ended December 31, 2001, 2002 and 2003 the Company had the following transactions with related parties:

	December 31,		
	2001	2002	2003
Loans granted, net of collection	Ps. 5,875	Ps.23,862	Ps.12,279
Revenues:			
Interests collected on loans granted	6,832	4,806	6,402
Building services to stockholders	_		13,895
Loans received from stockholders	13,535		
Expenses:			
Administrative services to EXINPAC	17,286	_	2,136
Payments to stockholders			4,421
Commissions paid to ALIX	19,578	_	
Debt substitution:			
Debt substitution between EXINPAC and ALIX			71,846
Debt substitution between EXINPAC and PROINPAC	· 		24,030
Debt substitution between EXINPAC and Others	~	_	1,965

- c) The Company has established revolving lines of credit with some of its affiliates. These loans bear annual interest rate of TIIE plus 2.00%.
- d) In December 2003 the Company had accounts receivable from Exinpac totaling Ps.97,841. From this debt Alix assumed Ps.71,846, Proinpac assumed Ps.24,213 and other related parties assumed Ps.1,965 of Exinpac's debt, thereby replacing Exinpac as Urbi's debtors at December 31, 2003.
- The loans of Ps.13,535 received from the Company's stockholders in 2001 were interest free and had no maturity dates. Such loans have been repaid during 2003.

5. Inventories

Inventories consist of the following:

	December 31,		
	2002	2003	
Land held for construction	Ps.2,570,979	Ps.3,966,451	
Advances to land suppliers	25,457	264,550	
Houses and commercial premises in housing developments held for sale	17,489	36,188	
Construction materials	314,669	355,110	
Construction in progress	185,980	401,769	
	3,114,574	5,024,068	
Less: Long-term land held for construction	569,856	898,927	
	Ps.2,544,718	Ps.4,125,141	

6. Other Accounts Receivable

An analysis of this account is as follows:

	December 31,			
		2002		2003
Recoverable taxes		-		35,283 29,234 4,362
	Ps.	80,004	Ps.	68,879

7. Property, Machinery and Equipment

a) An analysis of this caption is as follows:

	Estimated useful life	Decemb	per 31,
	(in years)	2002	2003
Land		Ps.19,019	Ps.21,453
Buildings	20	36,303	39,226
Machinery	4	118,054	135,361
Automotive equipment	4	74,092	78,309
Office furniture and equipment	3 to 10	121,207	212,043
		368,675	486,392
Accumulated depreciation		(191,234)	(217,031)
Property, machinery and equipment, net		Ps.177,441	Ps.269,361

Office furniture and equipment as of December 31, 2002 and 2003 included technology hardware and software investments of Ps.47,209 and Ps.113,343, respectively.

b) Depreciation expense for the years ended December 31, 2001, 2002 and 2003 was Ps.27,335, Ps.29,881 and Ps.35,504 respectively.

8. Bank Loans

a) The outstanding balances of bank loans at December 31, 2002 and 2003 are comprised primarily of construction bridge loans. This account consists of the following:

	Decem	ber 31,
	2002	2003
Bridge loans denominated in Mexican Pesos, secured by housing developments, at an annual interest rate of TIIE plus between 2.50%		
and 7.00%	Ps.283,516	Ps.531,624
to 20%	65,803	_
developments, bearing average annual interest of CETES rate plus 4.00% and of CETES rate plus 5.50%	5,405	
Mortgage loan denominated in Mexican Pesos, bearing annual interest rate of TIIE rate plus between 2.50% and 5.50%	32,451	114,500
Chattel mortgage loan denominated in Mexican Pesos, with a maturity date of October 2004. Interest is TIIE rate plus 4.00%	_	41,000
bearing annual interest rate at TIIE plus between 3.00 and 5.00% Uncollateralized working capital loan denominated in Mexican Pesos,	38,473	120,000
bearing fixed annual interest rates of 16.55% and 11.21% Mortgage loan denominated in U.S dollars (U.S.\$1,481 thousand), bearing	26,313	· -
interest at LIBOR plus 5.00% payable monthly	2 222	16,646
Others	3,223 Ps.455,184	6,408 Ps.830,178

The weighted average interest rate on short-term notes payable at December 31, 2002 and 2003 was 10.65% and 10.43%, respectively.

Some notes payable to banks are secured by housing developments in approximately \$181,249.

b) A detail of long-term debt is as follows:

	Dece	nber 31,
	2002	2003
Mortgage loan denominated in Mexican Pesos with interest payable		
monthly, at the annual rate of 5% in 2002 and 2003, secured by land		
held for construction	Ps. 11,520	Ps. 10,640
Mortgage loan denominated in Mexican Pesos secured by housing		
development, at interest rate of TIIE plus 2.50% and 5.00%	171,258	153,924
Mortgage loan denominated in US dollars (U.S.\$4,063 thousand),		•
maturing in 2010, at interest rate of LIBOR plus 9.50%, secured by		. we entirely w
the stockholders	50,267	45,649
Equipment finance loan denominated in Mexican Pesos, with interest at		• •
the rate of 24%, due in 2004	981	
Mortgage loan denominated in US Dollars (U.S.\$3,703 thousand), with		
interest payable monthly, at an average annual rate of LIBOR plus		
5.00%, secured by land held for construction	39,714	
Mortgage loan denominated in Mexican Pesos, secured by land held for		
construction and housing developments, bearing annual interest at the		
THE rate plus 4.00%, maturing in 2006	. —	251,000
Certificados bursatiles denominated in pesos, bearing quarter interest at		
TIIE rate plus 2.85%, with a maturity date of March 2005	311,940	300,000
Certificados bursatiles issued through a public offering in Mexico, with a		
maturity date of June, 2008, bearing interest at the TIIE rate plus		500.000
2.25%, plus 0.50% of withholding tax		500,000
	585,680	1,261,213
Current Portion of long-term debt	54,096	91,770
Net Total	Ps.531,584	Ps.1,169,443

The weighted average interest rate on long-term notes payable as of December 31, 2002 and 2003 was 11.00% and 9.62%, respectively.

A portion of long-term debt is secured mainly by land held for construction in approximately \$729,167.

c) The Company is subject to financial and operating covenants under the loan agreements. As of December 31, 2003, the Company was in compliance with all of these requirements.

d) Long-term debt maturities are as follows:

Year		2003
2005		. 490,232
2006		250,267
2007		209,115
2008		209,295
2009		7,023
2010 and thereafter		3,511
e and the second of the second	Ps	.1,169,443

9. Accounts Payable

a) An analysis is as follows:

	December 31,	
	2002	2003
Suppliers for construction	Ps.432,348	Ps. 445,088
Land suppliers	333,607	779,733
Hewlett Packard de México, S.A. de C.V	30,104	73,140
	796,059	1,297,961
Current portion of long-term accounts Payable	624,603	1,098,394
Long-term total	Ps.171,456	Ps. 199,567

- b) The accounts payable to suppliers of land for housing developments have maturities every year through 2007 and bear average annual interest rate of 3.63%.
- c) Some land suppliers retain the right to recover the land if the Company does not fulfill its payment obligations. As of December 31, 2003, the Company maintained a property restriction over a balance of approximately Ps.505,800.
- d) The long-term account payable with Hewlett-Packard corresponds mainly to payments for licensing services and agreements, with maturity in 2005, bearing annual interest from 9.02% to 12.50%.
- e) Long-term accounts payable maturities are as follows:

Year		2003
2005		Ps.134,658
2006		
2007	. .	5,794
		Ps.199,567

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Years Ended December 31, 2001, 2002 and 2003

(Amounts in thousands of Constant Mexican Pesos as of December 31, 2003, except where otherwise indicated)

10. Taxes and Accrued Expenses

This account consists of the following:

	Decem	iber 31,
	2002	2003
Income and asset tax	Ps. 39,004	Ps. 16,550
Employee profit sharing payable	34	
Value added tax	11,844	18,334
Payroll and income tax withheld from employees	10,130	11,431
Sundry creditors	69,849	121,361
Province of the second of the	Ps.130,861	Ps.167,676

11. Labor Obligations

The Company recognizes the liability for seniority premiums based on actuarial computations made by independent actuaries, using the projected unit-credit method, as required by Mexican accounting Bulletin D-3, Labor Obligations, issued by the Mexican Institute of Public Accountants.

The liability for seniority premiums for the year ended December 31, 2003, determined using the projected unit-credit method and charged to results of operations was Ps.304. An analysis is as follows:

	2003
Labor cost	Ps.187
Financing cost	56
Amortization of transition liability	61
Net period cost	Ps.304

The most important information related to seniority premiums as of December 31, 2003 is as follows:

	2003
Actual benefit obligation	Ps. 1,044
Projected benefit obligation	1,342 (1,096)
Net projected liability	
Labor obligations	Ps. 1,057
Intangible assets (presented in other assets)	Ps. 811

The transition liability will be amortized over a 19 years, which is the estimated average remaining working lifetime of the Company's employees.

Rates considered in the actuarial computation were as follows:

	2003
Discount rate	5%
Rate of compensation increase	2%

12. Contingencies and Commitments

- a) Federal, state and municipal tax authorities have the right to perform reviews of the taxes paid by Mexican Companies for a period of five years.
- b) The Company currently is not subject to pending legal proceedings, other than routine litigation incidental to its business, against which the Company believes it is adequately insured or which it believes is not material.
- c) As a result of its investment in computer equipment, the Company has an operating lease commitment for the use of computer equipment of Ps.31,004 (US\$2,759), payable over 36 months.
- d) The Company serves as guarantor of a loan contracted by ALIX with Banamex, S.A. The outstanding debt balance as of December 31, 2003 is U.S.\$3.0 millions.

13. Stockholders' Equity

- a) The Company's capital stock consists of fixed capital of Ps.85,667, with no withdrawal rights, and variable capital. Capital stock is represented by 290,946,324 paid-in shares (96,982,108 prior to the stock split), with no par value.
- b) At an extraordinary stockholders' meeting held on December 30, 1997 a stock option plan for executives totaling 12,979,020 shares (4,326,340 prior to the stock split) was approved. Through November 12, 2003 the company's executives exercised 5,664,822 of the total shares (1,888,274 prior to the stock split), and on an extraordinary stockholders' meeting held on that date, the Company's stockholders' approved the cancellation of the unexercised shares, for a total of 7,273,650 shares (2,424,550 prior to the stock split).
- c) In conformity with the Mexican Corporations Act, at least 5% of net income of the year must be appropriated to increase the legal reserve. This practice must be continued each year until the legal reserve reaches at least 20% of capital stock issued and outstanding.
- d) Earnings per share are obtained by dividing net income for the year by the average weighted number of shares issued and outstanding during the period.

14. Income Tax, Asset Tax and Employee Profit Sharing

a) Each of Urbi and its subsidiaries, individually, are subject to payment of both income tax and asset tax. Income tax is computed at the rate of 34% over the current year net income for tax reporting purposes. The 1.8% asset tax (which is a minimum tax) is payable on the average value of most assets net of certain liabilities. Since income tax paid may be credited against the asset tax, the latter is actually payable only to the extent that it exceeds income tax. Asset tax paid may be recovered to the extent income tax exceeds asset tax in the following 10 years. Tax paid and

that can be recovered for the years ended December 31, 2001, 2002 and 2003 was Ps.4,460, Ps.4,045 and Ps.7,746, respectively.

- b) Under the Mexican Labor Law, each of Urbi and its subsidiaries are required to pay employees, in addition to their agreed compensation and benefits, employee profit sharing at the statutory rate of 10% of taxable income for this purpose. Employee profit sharing is computed based on taxable income, excluding the inflationary component and the restatement of depreciation expense. Employee profit sharing for the year ended December 31, 2001, was Ps.4,524, and for the years ended December 31, 2002 and 2003, no profit sharing payments were required to be made.
- c) As of December 31, 2001, 2002 and 2003, income tax charged to income was as follows:

and the supposition of the first of the supposition	2001	2002	2003
Income tax	Ps. —	Ps. 38,620	Ps. 9,707
Asset tax		4,045	
Deferred income tax	285,517	275,013	327,612
Total income tax	Ps.289,977	Ps.317,678	Ps.345,065

d) An analysis of the effects of temporary differences on deferred tax liabilities (assets) is as follows:

•	At Dece	mber 31,
	2002	2003
Deferred tax assets		
Reserve for doubtful accounts	Ps. (1,723) (44,283) (124,016) (85,146) (255,168)	Ps. (682) (81,010) (372,311) (56,992) (510,995)
Deferred tax liabilities	•	
Unbilled receivables on developments in progress Fixed assets Inventories Prepaid expenses	273,490 12,730 1,125,147 28,840	355,032 25,183 1,584,825 12,776
Deferred income tax	1,440,207 Ps.1,185,039	1,977,816 Ps.1,466,821

The effect of deferred income tax included in the result from holding non-monetary assets for the years ended December 31, 2002 and 2003 was Ps.57,640 and Ps.22,859, respectively.

e) The major items that gave rise to a difference between the statutory tax rate and the effective income tax rate are as follows:

	December 31,		
	2001	2002	2003
Statutory tax rate	35.0%	35.0%	34.0%
Inflation effects	5.0%	1.8%	0.9%
Others	2.4%	2.9%	1.1%
Effective income tax rate	42.4%	39.7%	36.0%

The Mexican Income Tax Law that went into effect on January 1, 2002, provides for a gradual reduction in the statutory income tax rate by one percentage point per year beginning in 2003 until it reaches 32% in 2005. The effect of this reduction in the tax rate was recognized in the computation of deferred taxes in the year ended December 31, 2002, and represented a benefit of Ps.56,310.

- f) As of December 31, 2003, the balance of the Restated Contributed Capital Account (CUCA) was Ps.261,940 the balance of the Net Tax Profit Account (CUFIN) was Ps.78,455. Any distribution of earnings in excess of these account balances will be subject to payment of corporate income tax at the enacted tax rate at that time.
- g) The Company has tax loss carryforwards, which, in conformity with the current Mexican income tax law, may be carried forward, restated for inflation and applied, against taxable earnings generated in the next ten years.
- h) An analysis of the available tax loss carryforwards and recoverable asset tax as of December 31, 2003, restated for inflation, is as follows:

Available tax loss carryforward

Year of loss or of tax payment	Year of expiration	Restated amount	Deferred tax effect	Restated recoverable asset tax
1994	2004			Ps. 7,894
1995	2005			3,395
1996	2006			4,342
1997	2007	Ps. 149,273	Ps. 47,767	6,145
1998	2008	10,078	3,225	6,120
1999	2009	76,684	24,539	8,945
2000	2010	38,747	12,399	4,631
2001	2011	93,372	29,879	3,263
2002	2012	16,622	5,319	4,653
2003	2013	778,696	249,183	7,604
		Ps.1,163,472	Ps.372,311	Ps.56,992

where otherwise indicated)

15. Foreign Currency Transactions

The financial statements as of December 31, 2002 and 2003 include the following U.S. Dollar denominated assets and liabilities:

	2002	2003
	(Thousands of	U.S. Dollars)
Current assets and total assets	12,848	15,604
Bank loans and total liabilities	(26,518)	(30,299)
Net (short) position	(13,670)	(14,695)

The exchange rates used to translate the above-mentioned assets and liabilities were Ps.10.3125 and Ps.11.2360 per U.S. Dollar as of December 31, 2002 and 2003, respectively, as published by Banco de Mexico in the Official Gazette.

The exchange rate as of March 19, 2004 was Ps.10.9998

16. Subsequent Event

- a) In an extraordinary stockholders meeting held on February 2, 2004 a reduction in equity totaling Ps.280,000 was approved and 58,046,310 shares (19,348,770 prior to the stock split) were cancelled. In that meeting the Company agreed to pay this amount by making an initial payment equal to 20% of the transaction, and the remaining 80% will be paid in five semiannual payments. The outstanding balances generate interest equal to UDI plus 2%. The reduction of equity will generate an income tax payment, which has been estimated in Ps.135,000. Tax payments become due at the time the equity payments are made, and such tax can be credited against the income tax expense of the year in the following two years.
- b) An extraordinary stockholders meeting held on March 19, 2004, approved the increase on that same date in the number of outstanding shares by means of a three-for-one stock split. All per share and shares outstanding data in these financial statements, have been retroactively restated to reflect the three-for-one stock split.

ANNEX F

RECEIVED

ZORN JUN 24 A 9 43

OFFICE OF INTERNATIONS
CORPORATE FINANCIES

Description of capital stock

RECEIVED A 9-49 Set forth below is certain information concerning our capital stock and a brief summary of our by-laws, and certain provisions of Mexican law. The description does not purport to be complete and is qualified in its entirety by reference to our by-laws and Mexican law. Unless otherwise indicated this description gives effect to our capitalization after the offering.

GENERAL

We were incorporated on November 24, 1981 as a sociedad anónima de capital variable, or variable capital corporation, under the laws of Mexico. We were registered in the Public Registry of Property and Commerce of Mexicali, Baja California on December 1, 1981 under number 1561, page 174, volume V, book 1 of the commerce section. Our corporate domicile is Mexicali, Baja California, and our headquarters are located at Avenida Alvaro Obregón 1137, Col. Nueva, C.P. 21100, Mexicali, B.C., México. At the extraordinary and ordinary shareholders' meeting held on April 25, 2004 we authorized an amendment to our by-laws in order to comply with the requirements of the Mexican Securities Market Law. A copy of our by-laws has been filed with CNBV and with the Mexican Stock Exchange and has also been deposited with the principal New York office of the Depositary and is available for inspection at such office and at the Mexican Stock Exchange.

OUTSTANDING CAPITAL STOCK

Our capital stock consists of one series of shares of common stock without par value. Pursuant to article 14 bis 3, paragraph II of the Mexican Securities Market Law and subject to the prior authorization of the CNBV, we may issue shares of a different series without voting right, and additional limitations of other corporate rights, as well as restricted vote shares. Upon the issuance of such shares, the Shareholders' Meeting approving such issuance shall determine the rights corresponding to the new series of shares issued.

Since we are a variable capital corporation, our capital stock must have a fixed portion and may have a variable portion. As of the date of this offering circular, our outstanding capital consists of 232,900,014 shares representing only fixed capital.

Up to 65,689,748 million additional shares have been authorized to be issued in the Combined Offering. Immediately after the consummation of the Combined Offering, assuming that we issue and sell 65,689,748 shares, 298,589,762 shares will be outstanding. Shares may be issued to, paid for and held by either Mexican or Non-Mexican investors. Neither we nor any of our subsidiaries may own our shares, although there are limited instances in which we can repurchase our shares. See "-Share Repurchases" below.

CHANGES IN OUR CAPITAL STOCK, PREEMPTIVE RIGHTS AND REDEMPTION

Our capital stock may be increased or decreased by a resolution passed at a general extraordinary shareholders meeting for the fixed portion of such capital stock and, if we decided to issue shares constituting variable capital, at a general ordinary general shareholders meeting. Increases or decreases in the fixed or variable portion of the capital stock must be recorded in our registry of capital variations. Pursuant to Mexican law, our by-laws provide that changes in the variable portion of our capital stock do not require an amendment to the by-laws nor registration in the Public Registry of Property and Commerce of Mexicali, Baja California to reflect such changes. However, the

shareholders' resolution approving the change in the capital stock must be certified by a Mexican Notary Public. New shares cannot be issued unless the outstanding shares have been paid in full.

In the event of an increase in our capital stock (whether fixed or variable), the shareholders have preemptive rights to subscribe for the newly issued shares in proportion to their holdings, except in the case of:

- > shares issued in connection with capitalization of subscription premiums, retained earnings and other capital reserves and accounts in favor of all shareholders in proportion to their shareholdings;
- > shares issued for placement in public offerings, if an extraordinary shareholders' meeting called for such purpose approves the issuance of shares and other requirements specified in Article 81 of the Mexican Securities Market Law are satisfied, including obtaining the prior written approval of the CNBV:
- > shares issued in connection with mergers;
- > shares issued as treasury shares in connection with the issuance of securities convertible into our shares in accordance with Article 210 bis of the Ley General de Títulos y Operaciones de Crédito (Law of Negotiable Instruments and Credit Transactions); and
- > the resale of shares held in the treasury as a result of repurchases of shares conducted on the Mexican Stock Exchange.

The subscription period for the exercise of preemptive rights will be determined at the shareholders meeting which approves the respective capital increase, provided that such period will not be less than 15 calendar days following the publication in the official gazette of our corporate domicile and in a newspaper of general circulation in the corporate domicile. Under Mexican law, preemptive rights cannot be waived in advance or assigned, or be represented by an instrument that can be negotiable separately from the corresponding share certificate. Our existing shareholders have waived their preemptive rights with respect to the shares issued by us in connection with the Combined Offering at the extraordinary and ordinary shareholders' meeting held on April 25, 2004.

Shares representing our capital stock are subject to redemption in connection with either (i) a reduction of capital stock or (ii) a redemption with retained earnings, which in either case must be approved by our shareholders. In connection with a capital reduction, the redemption of shares shall be made *pro rata* among the shareholders, or, if affecting the variable portion of the capital stock, as otherwise determined in the relevant shareholders' meeting; but, in no case the redemption price shall be less than the book value of such shares as determined pursuant to our latest balance sheet approved at a general ordinary shareholders' meeting. In the case of a redemption with retained earnings, such redemption shall be conducted (a) by means of a tender offer conducted on the Mexican Stock Exchange, in accordance with the Mexican Companies Law, the Mexican Securities Market Law and our by-laws, or (b) *pro rata* among the shareholders.

VARIABLE CAPITAL

Under Mexican law and our by-laws, if we issue shares representing the variable portion of our capital, such shares would be entitled to redemption at the shareholder's option at any time by written notice to us at a redemption price equal to the lower of (i) 95% of the average market value of such shares on the Mexican Stock Exchange for the last 30 trading days on which the shares were quoted before the date on which the redemption is effective and (ii) the book value of such shares at the end of the fiscal year in which the redemption is effective. If the option is exercised during the first three quarters of a fiscal year, it will be effective at the end of that fiscal year. If the option is exercised

during the last quarter of the fiscal year, it will be effective at the end of the next fiscal year. The redemption price will be payable following the annual ordinary general shareholders meeting which approves the previous year-end financial statements.

SHARE REPURCHASES

Pursuant to the Mexican Securities Market Law, our by-laws provide that we may repurchase our shares on the Mexican Stock Exchange at the prevailing market price.

Share Repurchases are subject to the following conditions:

- > Share repurchases must be charged to either our net worth, if the repurchased shares remain in our possession, or to our capital stock, if the repurchased shares are converted into treasury shares.
- > The general ordinary shareholders' meeting must approve, for each year, the aggregate amount of resources allocated to share repurchases, which amount cannot exceed the total amount of our net profits, including retained earnings.
- > Our Board of Directors must appoint an individual or group of individuals responsible for effecting share repurchases, and sales of repurchased shares.
- > Repurchased shares cannot be represented at any shareholders' meeting.
- > Share repurchases must be carried out, reported, and disclosed in the manner established by the CNBV.

CANCELLATION OF REGISTRATION IN THE RNV

In the event that we decide to cancel the registration of our shares in the RNV or if the CNBV orders such cancellation, our Controlling Shareholders will be required to make a tender offer to purchase the shares held by minority shareholders at the higher of (i) the average of the trading price on the Mexican Stock Exchange during the last 30 days on which the shares were quoted prior to the date on which the tender offer is made, or (ii) the book value of such shares as determined pursuant to our latest quarterly financial information filed with the CNBV and the Mexican Stock Exchange. In accordance with the applicable regulations and our by-laws, in the event that our Controlling Shareholders are unable to purchase all of such outstanding shares pursuant to such tender offer, they shall form a trust and contribute to it the amount needed to purchase, at the same price offered in the tender offer, all of the shares that were not tendered in the offer. Such trust must be maintained for at least six months.

The Controlling Shareholders are not required to make such public offer if the cancellation of the listing is adopted by at least 95% of our shareholders.

REGISTRATION AND TRANSFER

Our shares are represented by share certificates in registered form. Our shareholders may either hold their shares directly, in the form of physical certificates, or indirectly, in book-entry form through brokers, banks, other financial entities or other entities approved by the CNBV that have accounts with Indeval ("Indeval Participants"). Indeval will issue certificates registered in the name of any shareholder who may request them. We maintain a stock registry and only those persons listed in such stock registry, and those holding certificates issued in their name as registered holders directly or through any relevant Indeval Participants, will be recognized as shareholders by us. The transfer of

shares must be registered in our stock registry. Transfers of shares deposited with Indeval shall be registered in book-entry form pursuant to the Mexican Securities Market Law. In the case of shares underlying ADSs, the Depositary will appear in such stock registry as the registered holder of the shares represented by the ADSs.

SHAREHOLDERS' MEETINGS AND VOTING RIGHTS

General shareholders meetings may be ordinary or extraordinary. At every general shareholders' meeting, each holder of shares is entitled to cast one vote per share. Shareholders may vote by proxy letter duly granted in writing in a special format according to Article 14-bis-3 of the Mexican Securities Market Law.

General extraordinary shareholders meetings are those called to consider:

- > extension of our duration or voluntary dissolution,
- > an increase or decrease in the fixed portion of our capital stock,
- > change in our corporate purpose or nationality,
- > any merger or transformation into another type of company,
- > issuance of preferred stock or bonds,
- > any amendments to our by-laws,
- > our spin-off,
- > the redemption of shares with retained earnings, and
- > the cancellation of the registration of shares at the RNV or any stock exchange (except for automated quotation systems).

General ordinary shareholders meetings are those called to discuss any issues not reserved to extraordinary meetings, General ordinary shareholders' meetings must be held at least once a year, during the first four months after the end of each fiscal year, to:

- > discuss and approve the annual reports of the Board of Directors and the statutory auditor;
- > discuss the allocation of profits for the preceding year;
- > appoint the members of the Board of Directors, the statutory auditors and the members of the Audit Committee and any other special committees that may be created, as well as to determine their respective compensation;
- > determine the maximum amount of resources allocated to share repurchases; and
- > to consider the annual report of the Audit Committee submitted to the Board of Directors.

In order to attend a general shareholders meeting, holders of shares must be registered in our stock registry, or submit appropriate evidence of the title to their shares.

Holders of shares do not have cumulative voting rights.

The quorum for the ordinary shareholders meeting is at least 50% of the outstanding shares, and resolutions may be taken by a majority of the shares present. If a quorum is not met, a subsequent meeting may be called at which resolutions may be taken by the majority of the shares present, regardless of the percentage of outstanding shares represented at such meeting. The quorum for

extraordinary shareholders meetings is at least 75% of the outstanding shares, but if a quorum is not present a subsequent meeting may be called. The quorum for such subsequent meeting is at least 50% of the outstanding shares. Resolutions at an extraordinary general shareholders' meeting must be taken by the vote of at least 50% of the outstanding shares (including any extraordinary shareholders meeting called following the adjournment of a prior meeting for lack of quorum).

Shareholders meetings may be called by:

- > the Board of Directors or the statutory auditor,
- > shareholders representing at least 10% of the outstanding shares upon request to the Board of Directors or the statutory auditor to have such a meeting,
- > a Mexican court in the event the Board of Directors or the statutory auditor do not comply with a valid request of the shareholders so described in the immediately preceding bullet point, and
- > any shareholder, provided that no ordinary meeting has been held for two consecutive years to deal with the annual report of the Board of Directors and the appointment of directors and statutory auditors.

Notices for meetings must be published in the official gazette of Mexicali, Baja California or in a newspaper of general circulation in our corporate domicile with 15s' days notice. Notices for meetings must contain the meeting's agenda and must be signed by the person or entity who called the meeting. In order to be admitted to a shareholders meeting the shareholders must deposit their share certificates at our offices or present a receipt from any Indeval Participant indicating ownership by such person. A shareholder may be represented by an attorney-in-fact with a proxy letter issued in a special format according to Article 14-bis-3 of the Mexican Securities Market Law.

Minutes of shareholders meetings shall be signed by the President and the Secretary of the meeting and by the attending statutory auditors, and shall be recorded in the relevant minute book or, in the event that such recording is not possible, the minutes must be notarized by a notary public. Extraordinary shareholders meeting resolutions must be notarized by a notary public and registered at the Public Registry of Commerce of Mexicali, Baja California.

DIVIDENDS AND LIQUIDATION RIGHTS

Prior to any distribution of dividends, 5% of our net earnings must be allocated to a legal reserve fund, until such fund is equal to at least 20% of our paid-in capital stock. Additional amounts may be allocated to other reserve funds as the shareholders may determine, including the amount allocated by the shareholders' meeting for the repurchase of shares. The remaining balance, if any, may be distributed as dividends. Cash dividends on shares not held through Indeval will be paid against delivery of the respective dividend coupon, if any.

To the extent that we declare and pay dividends on our Shares, owners of ADSs will be entitled to receive any dividends payable in respect of the Shares underlying the ADSs, subject to the terms of the relevant Deposit Agreement. Cash dividends will be paid to the Depositary in Pesos and, except as otherwise described under "Description of American Depositary Receipts-Dividends, Other Distributions and Rights" will be converted by the Depositary into Dollars and paid to owners of ADSs, net of currency conversion expenses. Currently, there is no Mexican withholding tax or other Mexican tax levied on holders of ADSs on dividends paid by us in respect of the Shares. See "Taxation—Mexican Taxation."

Upon our dissolution, one or more liquidators must be appointed by an extraordinary general shareholders' meeting to wind up our affairs. All fully paid and outstanding shares will be entitled to participate equally in any distribution upon liquidation.

PURCHASE OF SHARES BY OUR SUBSIDIARIES

Any company or entity of which we are the owner of the majority of our equity interest may not purchase, directly or indirectly, our shares or shares of companies holding the majority of our shares.

OTHER PROVISIONS

Duration

Our corporate life under our by-laws is indefinite.

Appraisal Rights and Other Minority Protections

If and when our shareholders approve any change of our corporate purpose, jurisdiction of incorporation or corporate form, any shareholder who has voted against such change has the right to withdraw and receive the book value of his or her shares (as set forth in the latest balance sheet approved by the shareholders), if the request is made during the fifteen-day period following the adjournment of the meeting at which such action was approved.

Pursuant to recent amendments to the Mexican Securities Market Law, our by-laws include a number of minority protections. These minority protections include provisions that permit:

- ▶ holders of at least 10% of our outstanding share capital to convene a shareholders' meeting in which they are entitled to vote;
- ➤ holders of at least 15% of our outstanding share capital to bring an action for civil liabilities against our directors, subject to certain requirements under Mexican law;
- ➤ holders of at least 10% of our shares who are entitled to vote and are represented at a shareholders' meeting to request that resolutions with respect to any matter on which they were not sufficiently informed to be postponed; and
- ➤ holders of at least 20% of our outstanding share capital to contest and suspend any shareholder resolution, subject to certain requirements under Mexican law.

In addition, pursuant to the Mexican Securities Market Law, we are also subject to certain corporate governance requirements, including the requirement to maintain an audit committee and to elect independent directors.

The protections afforded to minority shareholders under Mexican law are generally different from those in the United States and many other jurisdictions. Substantive Mexican law concerning director fiduciary duties has not been extensively interpreted by Mexican courts, unlike many states in the United States where duties of care and loyalty established by court decisions have helped to shape the rights of minority shareholders. Mexican civil procedure does not contemplate class action lawsuits or shareholder derivative actions, which allow shareholders in the United States to bring actions on behalf of other shareholders or to enforce rights of the corporation itself. Shareholders cannot challenge corporate actions taken at shareholders' meetings unless they meet stringent procedural requirements.

As a result of these factors, it is generally more difficult for our minority shareholders to enforce rights against us or our directors or principal shareholders than it is for shareholders of a U.S. issuer.

Actions Against Directors, Statutory Examiners and Members of Our Audit Committee

Actions against any director, statutory examiner or member of our Audit Committee may be initiated by resolutions passed at an ordinary shareholders meeting. In the event our shareholders decide to initiate such action, the respective person immediately ceases to be in office. Additionally, shareholders representing not less than 15% of our outstanding shares may directly bring a civil liability action against any director, statutory examiner or member of our Audit Committee, provided that (i) the claiming shareholders did not vote to approve the performance of the director, statutory examiner or member of our Audit Committee involved and (ii) the claim extends to all the liabilities alleged to have been caused to us and not only the portion corresponding to the affected shareholders. Any recovered damages with respect to the action will be for our benefit and not directly for the shareholders bringing the action. There are no shareholders' class actions available under Mexican law.

Conflicts of Interest

A shareholder that votes on a business transaction having a conflict of interest may be liable for losses and damages to us, but only if the action could not have been approved without such shareholder's vote. Additionally, a member of the Board of Directors, statutory examiner or a member of our Audit Committee having a conflict of interest must disclose such conflict and abstain from any deliberation or vote in connection therewith. A breach by any member of the Board of Directors, statutory examiner or member of our Audit Committee to such obligations may result in such director being liable for damages and losses.

Suspension of Shareholders' Action

Holders of 20% of our outstanding shares may oppose any resolution adopted by a shareholders meeting and file a petition for a court's order for the temporary suspension of said resolution, within 15 days after the adjournment of the meeting at which the action was taken; if the challenged resolution violates Mexican law or our by-laws and opposing shareholders neither attended the meeting nor voted against the challenged resolution.

Foreign Investment Regulations

Foreign investment in the capital stock of Mexican companies is regulated by the Foreign Investment Law and the regulations thereto, or the Mexican Foreign Investment Regulations. The Mexican Commission of Foreign Investment and the Registro Nacional de Inversiones Extranjeras (the "Mexican Registry of Foreign Investments"), are responsible for the administration of the Foreign Investment Law and the Mexican Foreign Investment Regulations.

As a general rule, the Foreign Investment Law allows foreign investment in up to 100% of the capital stock of Mexican companies except for those engaged in certain specified restricted industries. Foreign investment in our capital stock is not restricted. However, the Foreign Investment Law requires that we register with the Mexican Registry of Foreign Investments, with respect to any of our foreign shareholdings. In January 1998, we amended our by-laws in order to allow foreign investment in our capital stock. In February 1998, we gave notice to the Secretaría de Relaciones Exteriores (the "Ministry of Foreign Affairs") of this modification.

Forfeiture of Shares

As required by Mexican law, our by-laws provide that upon acquiring our shares, non-Mexican shareholders agree (i) to be considered as Mexicans with respect to their shares as well as to the property, rights, concessions, participations or interests owned by us or to the rights and obligations

derived from any agreements that we may have with the Mexican federal government and (ii) not to invoke the protection of their own government. If a shareholder should invoke such governmental protection in violation of this agreement, its shares would be forfeited to the Mexican federal government. This prohibition does not apply to actions before courts of law of foreign countries.

Submission to Jurisdiction

Our by-laws provide that in connection with any controversy between our shareholders and us, or between our shareholders in connection with any matter related to us, we both shall submit to the jurisdiction of the courts of Mexicali, Baja California.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2003 AND 2004 (Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

1. Basis of presentation

a) The unaudited condensed consolidated financial statements of Urbi, Desarrollos Urbanos, S.A. de C.V. ("Urbi") and its subsidiaries (collectively the "Company") as of March 31, 2003 and 2004 and for the three-month periods then ended, are presented on the same basis of accounting as described in the audited annual consolidated financial statements of the Company as of December 31, 2002 and 2003, and for each of the three years then ended (the "audited financial statements") and have been prepared in accordance with generally accepted accounting principles for interim financial information. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary to present fairly the financial information for the periods presented have been included. The unaudited condensed consolidated financial statements as of March 31, 2004, should be read in conjunction with the Company's year-end Financial Statements included elsewhere in this offering-circular.

Operating results for the interim period presented herein are not necessarily indicative of the results for the fiscal year.

b) Accounting for the Impairment or Disposal of Long-Lived Assets

In March 2003, the MIPA issued Bulletin C-15, Accounting for the Impairment or Disposal of Long-Lived Assets, the observance of which started January 1, 2004. Bulletin C-15 defines the rules for the computation and recognition of asset impairment losses and their reversal, as well as for the presentation and disclosure of both, assets whose values have been impaired and of discontinued operations. The Company has concluded that the adoption of this guideline did not have a significant effect in its earnings or financial position.

2. Recognition of the effects of inflation on financial information

The unaudited condensed consolidated financial statements recognize the effects of inflation as required by Mexican Accounting Bulletin B-10, as amended, as described in the audited financial statements; consequently, all financial statements presented herewith were restated in constant pesos as of March 31, 2004 and therefore, are not directly comparable to the annual audited financial statements. The Mexican National Consumer Price Index (NCPI) as of March 31, 2004, was 108.672. The March 31, 2004 restatement factor applied to the financial statements as of March 31, 2003 was 1.0423.

3. Convenience translation

United States dollar amounts as of and for the period ended March 31, 2004, shown in the financial statements have been included solely for the convenience of the reader, and are translated from Mexican Pesos with purchasing power as of March 31, 2004, as a matter of mathematical computation only, at an exchange rate of Ps. 11.1540 to US \$1.00, the March 31, 2004, exchange rate as published by Banco de Mexico in the Official Gazette. Such translations should not be construed as a representation that the Mexican Peso amounts have been or could be converted into U.S. Dollars at this or any other rate.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

MARCH 31, 2003 AND 2004

(Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

4. Related Parties

a) Below is an analysis of balances due from/to related parties as of March 31, 2003 and 2004. All of the companies are considered as Urbi's affiliates, because the Company's principal stockholders' are also directly or indirectly stockholders' of these related parties.

		March 31,		
		2003		2004
Due from:				
Promotora de Parques Industriales del Pacífico, S.A. de C.V	Ps.	93,558	Ps.	113,092
Exportación Industrial del Pacífico, S.A. de C.V		87,243		
Siglo XXI Desarrollos Industriales, S.A. de C.V	والمراشات	5,905		5,958
Diseño y Tecnología, S.A. de C.V		726		1,444
Operadora Festival Plaza, S.A. de C.V.		736		1,860
Alix Desarrollos Turísticos, S.A. de C.V				74,753
	Ps.	188,168	Ps. 1	197,107
Due to:				
Grupo Alix, S.A. de C.V.	Ps.	900	Ps.	
Stockholders		4,394		6,987
	Ps.	5,294	Ps.	6,987

b) During the three-month periods ended March 31, 2003 and 2004 the Company had the following transactions with related parties:

	2003	2004
Loans granted, net of collection	Ps. 4,050	Ps.389
Revenues:		
Building services to stockholders		6,456
Payments from stockholders	· -	18,568
Expenses:		
Purchases of land to stockholders	·	7,283

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued) MARCH 31, 2003 AND 2004 (Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

5. Inventories

Inventories consist of the following:

	March 31,	
	2003	2004
Land held for construction	Ps. 2,744,975 88,646	Ps. 4,142,913 342,029
for sale	17,906 240,401 167,467	41,556 271,348 366,375
Less: Long-term land held for construction	3,259,395 530,754 Ps. 2,728,641	5,164,221 791,405 Ps. 4,372,816

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued) MARCH 31, 2003 AND 2004 (Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

6. Bank loans

a) The outstanding balances of bank loans at March 31, 2003 and 2004 are comprised primarily of construction bridge loans. This account consists of the following:

	March 31,	
	2003	2004
Bridge loans denominated in Mexican Pesos, secured by housing developments, at an annual interest rate of TIIE plus between 2.50% and 7.00%	Ps.563,912	Ps.444,977
Mortgage loan denominated in Mexican Pesos, bearing annual interest rate of TIIE rate plus between 2.50% and 5.50%	99,389	102,791
Chattel mortgage loan denominated in Mexican Pesos, with a maturity date of October 2004. Interest is TIIE rate plus 4.00%		41,000
Uncollateralized working capital loan denominated in Mexican Pesos, bearing annual interest rate at TIIE plus between 3.00 and 5.00%	62,538	124,200
Mortgage loan denominated in U.S dollars (U.S. \$926 thousand), bearing interest at LIBOR plus 5.00% payable monthly	_	10,328
Others	3,908	9,839
Total	Ps.729,747	Ps.733,135

The weighted average interest rate on short-term notes payable at March 31, 2003 and 2004 was 13.14% and 9.00%, respectively.

Some notes payable to banks are secured by housing developments in approximately \$293,387.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued) MARCH 31, 2003 AND 2004 (Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

b) A detail of long-term debt is as follows:

	March 31,	
·	2003	2004
Mortgage loan denominated in Mexican Pesos with interest payable monthly, at the annual rate of 5%, secured by land held for construction.	Ps. 11,463	Ps. 10,484
Mortgage loan denominated in Mexican Pesos secured by housing development, at interest rate of TIIE plus 2.50% and 5.00%	122,574	129,794
Mortgage loan denominated in US dollars (U.S. \$3,906 thousand), maturing in 2010, at interest rate of LIBOR plus 9.50%, secured by the stockholders.	50,396	43,573
Mortgage loan denominated in US Dollars (U.S. \$3,120 thousand), with interest payable monthly, at an average annual rate of LIBOR plus 5.00%, secured by land held for construction	35,009	_
Mortgage loan denominated in Mexican Pesos, secured by land held for construction and housing developments, bearing annual interest at the TIIE rate plus 4.00%, maturing in 2006	, -	251,000
Certificados bursatiles denominated in pesos, bearing quarterly interest at TIIE rate plus 2.85, with a maturity date of March 2005	312,690	300,000
Certificados bursatiles issued through a public offering in Mexico, with a maturity date of June, 2008, bearing interest at the TIIE rate plus 2.25, plus 0.50 of withholding tax	_	500,000
	532,132	1,234,851
Current portion of long-term debt	25,106	86,018
Net Total	Ps.507,026	Ps.1,148,833

The weighted average interest rate on long-term notes payable as of March 31, 2003 and 2004 was 12.15% and 8.94%, respectively.

A portion of long-term debt is secured mainly by land held for construction of approximately \$596,573.

c) The Company is subject to financial and operating covenants under the loan agreements. As of March 31, 2004, the Company was in compliance with all of these requirements.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

MARCH 31, 2003 AND 2004

(Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

Long-term debt maturities after March 31, 2004 are as follows:

Year		
2005	Ps.	406,346
2006	,	284,608
2007		240,696
2008		208,470
2009		6,972
2010 and thereafter		1,741
	Ps.	1,148,833

7. Contingencies and commitments

- a) As a result of its investment in computer equipment, the Company has an operating lease commitment for the use of computer equipment of Ps. 26,892 (US\$ 2,411), payable over 36 months.
- b) The Company serves as guarantor of a loan contracted by ALIX with Banamex, S.A. The outstanding debt balance as of March 31, 2004 is U.S. \$ 2.9 millions.

8. Stock redemption

In an extraordinary stockholders meeting held on February 2, 2004 a reduction in equity totaling Ps.280,000 was approved and 58,046,310 shares (19,348,770 prior to the stock split) were cancelled. In that meeting the Company agreed to pay this amount by making an initial payment equal to 20% of the transaction, and the remaining 80% will be paid in five semiannual payments. The outstanding balances generate interest equal to UDI plus 2%. The reduction of equity will generate an income tax payment, which has been estimated in \$135,000. Tax payments become due at the time the equity payments are made, and such tax can be credited against the income tax expense of the year in the following two years.

9. Stock split

An extraordinary stockholders meeting held on March 19, 2004, approved the increase on that same date in the number of outstanding shares by means of a three-for-one stock split. All per share and shares outstanding data in these financial statements, have been retroactively restated to reflect the three for one stock split.

10. Deferred income taxes

Deferred taxes are determined on virtually all temporary differences in balance sheet accounts for financial and tax reporting purposes, using the enacted income tax rate at the time the financial statements are issued.

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued) MARCH 31, 2003 AND 2004

(Amounts in thousands of Constant Mexican Pesos as of March 31, 2004)

An analysis of income tax provision is as follows:

	March 31,	
	2003	2004
Current year	Ps. 3,472	Ps. 2,000
Deferred income tax		
Total income tax	Ps.68,647	Ps.86,046

The effect of deferred income taxes for the three-month period ended March 31, 2004 was a charge to net income of Ps. 84,046.

ANNEX H

RECEIVED

MM JUN 24 A 9 42

OFFICE OF INTERNATIONAL
CORPORATE FINANCIAL

Summary

This summary highlights selected information from this offering circular and is qualified in its entirety by, and is subject to, the more detailed information and financial statements appearing elsewhere in this offering circular. You should read this entire offering circular carefully, including the risk factors and financial statements contained herein, before making an investment decision.

OUR COMPANY

We are a vertically-integrated and diversified Mexican housing development and construction company, specializing in affordable entry-level and low middle-income housing. We believe that for the year ended December 31, 2003 we were the second largest developer of housing in all of Mexico and the largest housing developer in the Northern States of Mexico, in each case in terms of revenue and number of homes built and sold.

From 1999 to 2003, the number of homes we have sold has increased from 12,318 to 20,071, revenues have grown from Ps.2,565.9 million (US\$228.4 million) to Ps.5,232.9 million (US\$465.7 million), EBITDA has increased from Ps.685.0 million (US\$61.0 million) to Ps.1,231.6 million (US\$109.6 million) and net income has grown from Ps.377.2 million (US\$33.6 million) to Ps.612.5 million (US\$54.5 million). Throughout this period, we have been able to maintain stable margins while enhancing the quality and differentiation of our products.

For the year ended December 31, 2003, our affordable entry-level and low middle-income housing represented approximately 92.2% of the number of homes we sold (and 81.1% of our revenues), with high middle-income and upper-income housing accounting for the balance. The average sales price of our homes in 2003 was Ps.260,720 (US\$23,204). EBITDA and net income increased from Ps.994.4 million (US\$88.5 million) and Ps.481.6 million (US\$42.9 million) in 2002 to Ps.1,231.6 million (US\$109.6 million) and Ps.612.5 million (US\$54.5 million) in 2003, respectively.

Since our incorporation in 1981, we have developed, built and sold more than 130,000 homes, enjoying a 22 year history of profitable operations. Despite adverse economic conditions in Mexico at times during this period, our growth in the housing business has benefited from the population and economic growth in the Northern States of Mexico, our principal area of operations.

As of December 31, 2003, we had 54 housing developments in progress in 12 cities, including the metropolitan areas of Mexico City, Guadalajara and Monterrey, and a Mortgage Commitment Backlog (as defined herein) of 24,482 homes. Consistent with our land reserve policy, as of December 31, 2003 we had land reserves of 1,867 hectares (approximately 4,613 acres) which we estimate is sufficient for constructing approximately 101,131 affordable entry-level and low middle-income homes, in addition to 295 hectares (approximately 729 acres) that we estimate is sufficient for developing 8,880 high middle-income and upper-income homes. This combined land reserve is equivalent to approximately five years of operations based on our 2003 home sales.

THE MEXICAN HOUSING INDUSTRY

We believe there are substantial opportunities for us to continue to grow our business within the Mexican housing industry. In the past, we have been able to expand our operations during challenging economic conditions. Now, improved macroeconomic and political stability, lower interest rates, recovering real minimum wages and the recent adoption of laws permitting tax deductibility of real interest on mortgages all contribute to what we believe are further growth opportunities.

We believe the following factors also provide us with substantial ongoing opportunities in the Mexican housing industry:

Acute Housing Deficit. Existing housing in Mexico totaled 21.9 million homes according to the 2000 INEGI census. In 2000, the Mexican Programa Sectorial de Vivienda 2001-2006 (the "2001-2006 Housing Sector Program") estimated that Mexico had a housing shortage of approximately 4.3 million

units, including units in need of upgrading or replacement and that the Mexican housing deficit would increase by approximately 1.1 million units annually during the period 2001-2010.

Beneficial Demographic Trends. We believe that the demographic trends of the Mexican population are likely to contribute to increased demand for affordable entry-level and low middle-income housing. Mexico's current population is estimated to be approximately 103.6 million, according to Conapo. According to Conapo, between 2000 and 2003, the population growth rate in the Northern States of Mexico, where most of our current developments are located, was 2%, while Mexico's overall population grew 1.2%. Additionally, the population in the Northern States is expected to grow at a 1.8% compounded annual growth rate in the next three years. Further, according to INEGI, 61.4% of the Mexican population is under 30 years old.

Fragmented Industry. According to Conafovi, the annual new housing supply, excluding self-built units, was 500,000 units in 2003. Further, according to Canadevi and CMIC there are approximately 2,000 Mexican home developers, operating mostly in limited areas. We estimate that there are no more than five developers in Mexico, including us, that built more than 10,000 homes each during 2003 and that the remaining Mexican home developers generally each build between 50 and 500 homes per year. We believe this fragmentation creates an opportunity for us to continue increasing our market share.

Favorable Governmental Policies. To address Mexico's housing deficit, the Mexican federal government has implemented policies in recent years that are designed to expand the supply of affordable housing. Traditionally, mortgage financing in Mexico for affordable entry-level and low middle-income housing has been made available primarily through vivienda de interés social or social interest housing programs by government or government-sponsored institutions including the Instituto del Fondo Nacional de la Vivienda para los Trabajadores ("Infonavit") and Sociedad Hipotecaria Federal, S.N.C., Institución de Banca de Desarrollo ("SHF") at below market rates of interest, and to a lesser extent by commercial banks and other mortgage loan providers. Through these and other programs, 1.6 million mortgages have been granted in the past three years. Vicente Fox, the President of Mexico, personally oversees the federal government's housing initiatives as chairman of the National Housing Council (Consejo Nacional de Vivienda), which has stated its goal to provide for financing and construction of 750,000 homes annually by 2006. As a result of these and other government programs, as well as improved economic conditions and increasing demand, we estimate that commercial banks and Sofoles have gradually increased their participation in mortgage financing, mainly in the high middle-income and upper-income groups, from 1.4% in 2000 to 5.0% in 2003 of the total mortgage loans granted. In addition, to increase the liquidity of the mortgage industry through the capital markets, Infonavit launched its first mortgage securitization program in March 2004.

OUR STRATEGY

Our primary long-term strategic objective is to further strengthen our position as one of the leading Mexican homebuilders in terms of revenues, profitability and brand recognition. To achieve this goal, we focus on the following strategic imperatives:

- > Superior Growth. We strive to continue to grow at a higher rate than what we believe is the industry average, taking advantage of economies of scale and strengthening our market position. We believe that flexibility to provide different kinds of housing and continued geographic expansion are important factors for our continued growth.
 - ➤ We plan to continue developing our leadership position in the affordable entry-level and low middle-income housing markets, while participating selectively in the high middle-income and upper-income housing markets.
 - ➤ We expect to continue expanding our operations in the major cities of the Northern States of Mexico.

- ➤ We plan to continue expanding our operations in the metropolitan areas of Mexico City, Monterrey and Guadalajara, and to establish ourselves in other major cities in Mexico.
- ➤ We expect to expand our land development sales to third parties for commercial, industrial and other developments that are complementary to our housing developments.
- > State-of-the-Art Information Technology Platform. We believe our state-of-the-art information technology platform, UrbiNet, distinguishes us and is a critical part of our objective to maintain high quality standards and support continuing decentralized, large scale and profitable growth.
 - ➤ Our technology platform provides us with detailed financial and operational data on a real-time basis, improving the efficiency of our operations and allowing us to identify new opportunities to expand our business.
- > Efficient Operations. One of our priorities is the efficient management of our business. We believe we are able to accomplish this by aligning our information management processes with our business strategy and our organizational structure. We believe our overall organizational structure enables us to take advantage of changing market conditions, and to react rapidly while expanding profitably.
 - ➤ We develop and market our projects through strategic business units ("SBUs"), which serve as separate profit centers in each of the regions where we operate to provide maximum value to local clients while keeping our focus on cost control, operating margins and working capital management. We believe our SBU organizational structure also allows us to efficiently expand into new markets.
 - ➤ We believe we benefit from a management team with significant depth of experience in the Mexican housing industry, as each of our senior managers has between 10 and 25 years of experience in the Mexican housing industry.
 - > Strong, long-term relationships allow us to integrate our processes with our main suppliers of materials, such as Cemex, Masonite and Grupo Industrial Saltillo, among others, helping assure supplies of materials on a timely basis, competitive prices, as well as sharing of technology and business know-how.
 - ➤ We operate under strict internal financial controls and continuously manage our working capital with a view towards financing growth while limiting excess liquidity.
 - ➤ We are proud to have been the first Mexican housing developer to receive ISO 9000 Certification, recognizing our organizational and technological processes.
- > Sales and Marketing. Our sales and marketing operations are organized to further expedite our sales processes and increase sales volume.
 - ➤ We focus on the targeted demographic groups that we have identified based on customer income levels.
 - ➤ We believe our specialized training programs, combined with the tools our technology platform provides to our sales force, enables us to replicate standardized sales structures when entering new markets.
 - ➤ Our housing development SBUs are allowed to focus exclusively on sales, individualization and customer service, leveraging our ISO 9000-certified processes and information technology platform.
- > Positioning and Branding. We believe that our customers equate the "Urbi" brand with value through the association of our name with high quality and a strong commitment to customer service.
 - ➤ We seek to differentiate ourselves from our competitors through *Urbi VidaResidencial*, the brand name we use for our housing developments, which refers to a master-planned community in a village-like setting suitable for families. We believe *Urbi VidaResidencial* is a symbol of status and prestige within our target market.
 - ➤ We have developed a strategy that includes using our proprietary brands under the "Urbi" umbrella for our various products for each housing category.